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ABSTRACT

The report describes a study to assess 27 states' current data capabilities as they relate to information requirements of P.L. 94-142, the Education for All Handicapped Children Act. The first part of the report summarizes study results, including such major findings as that most states were reasonably able to meet proposed federal requirements in one or two of the four major data categories (children, personnel, facilities, and fiscal information), but few were strong in three or four categories. Projections of children needing service, although available were generally weak, as were projections of personnel. Fewer than three-fourths of the states could report special education program costs, and very few could provide them by handicapping conditions. The major problem found was inadequate data monitoring and validation. Recommendations are made for streamlined data requirements, phasing in data requirements, technical assistance for states, and leadership role for the Bureau of Education for the Handicapped in compliance. Part II of the report describes a methodology for estimating the incremental costs of meeting the proposed data requirements for P.L. 94-142 and applies that methodology to six states. (CI)

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ASSESSING STATE INFORMATION CAPABILITIES UNDER PL 94-142

FINAL REPORT

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INTRODUCTION

Significant changes are occurring rapidly in special education. They will have great impact on local, state, and national special education administrators and policy makers. An increasing number of requests are being made, and pressures are mounting, to modify and expand educational programs and services for handicapped children. Most of the states now have enacted mandatory legislation for special education, the majority in the last four years. Recent court rulings have established the rights of handicapped children to receive a free, publicly supported education and to be provided with programs and services to satisfy their needs. Requirements for educational plans structured for the individual handicapped child imply that a wider selection of educational choices must be available for handicapped children. The emphasis on special education in the "least restrictive environment" means that more handicapped children are being reassigned from, or not being placed in, traditional segregated classrooms.

The dramatic rise in the quantity and quality of services to handicapped children over the past decade has in no small measure resulted from a progression of increasingly sophisticated federal and state legislation which was passed in response to these growing pressures. The most recent federal legislative step, now in the process of implementation, is the passage of PL 94-142, the Education for all Handicapped Children Act of 1975.

This law mandates that a free appropriate public education be available to each handicapped child. It requires state and local education agencies and the U.S. Office of Education to provide information to Congress both to aid in federal planning and to ensure that the provisions of the law are being carried out. One major concern about PL 94-142 is the burden these new reporting requirements may place on a state. Accordingly, the U.S. Office of Education, Bureau of Education for the Handicapped (BEH), initiated a project to answer the following questions:

1. What information required under PL 94-142 is currently available in the states?

2. What information required under PL 94-142 is currently not available in the states?

3. What would be required to supply the missing information?

4. How can the federal government help the states furnish the missing information?

Under contract to BEH, Management Analysis Center, Inc. (MAC), of Washington, D.C., in cooperation with the National Association of State Directors of Special Education (NASDSE), undertook an in-depth analysis of the capabilities of 27 selected states to report the information required under PL 94-142. Part I of this report summarizes the results of that study. Part II of this report, in response to a request from BEH, describes a methodology for estimating the incremental costs of meeting the proposed data requirements for PL 94-142 and applies that methodology to six selected states.

PART I

ANALYSIS OF STATE INFORMATION CAPABILITIES

INTRODUCTION

This study is only one part of a larger, continuing BEH effort to ensure the systematic national implementation of PL 94-142. The primary objective of this study is to help close the gap between information needed or requested for effective implementation of PL 94-142 and that which is currently available.

Methodology

All 57 states and outlying areas were invited to participate in the project, and 45 volunteered to do so. It was initially planned to include all states that volunteered in the study. Because of financial constraints, however, BEH selected 25 states, one territory, and one federal agency for the study.

The states that were selected provide a wide range of geographic, demographic, and administrative characteristics so that data capabilities and problems related to these characteristics could be sampled as broadly as possible. Table 1 summarizes the range of characteristics of the selected states. Appendix A is a more detailed description.

MAC or NASDSE consultants visited each selected state to assess its data capability. Four major categories of data—children, personnel, facilities, and fiscal information—were analyzed. Current state data collection efforts in each of these categories were reviewed and compared to potential BEH data requirements included in draft data forms and proposed regulations. Appendix B contains a list of the proposed data elements in each of the four categories. The analysis of this information focused on the types of information collected, consistency with proposed BEH requirements, use of validation procedures to determine data accuracy, and the degree of difficulty involved in changing state data collection systems to meet the proposed federal requirements.

A report based on the analysis of each state's data capability was prepared. An outline of the contents of the detailed state reports is included as Appendix C. A more detailed description of how the data were obtained and validated is included in Appendix D.

A draft summary report based on the information contained in the 27 individual state reports was prepared and distributed to all 45 volunteer states for comment. States which had been visited previously were asked to verify the information in the report on their state and to review and comment on the findings and recommendations. Volunteer states which were not previously visited and still wished to participate were visited briefly to determine if the findings generally reflected the situation in their states and to obtain comments

TABLE 1

SUMMARY OF STATE CHARACTERISTICS[a]

Special Education Staff Members	Number of States
<10	5
10-19	6
20-29	10
30 +	6

Population Per Square Mile	Number of[b] States
<20	5
20-99	7
100-199	7
200 +	7

Number of LEAs	Number of States[b]
<100	9
100-199	6
200-499	4
500 +	7

Special Education Population Served	Number of States
<50,000	9
50,000-99,000	7
100,000-199,000	7
200,000 +	4

Prevalence Rate[c]	Number of States
0-6%	5
7-9%	9
10-12%	7
13% +	6

TABLE 1 (Continued)

Footnotes

[a]This chart lists the number of states falling within subcategories of number of SEA special education staff, number of LEAs, population per square mile, special education population served, and prevalence rate. A chart of individual state characteristics is found in Appendix A.

[b]Not applicable for the federal agency.

[c]Prevalence rate is the ratio of the number of handicapped children served to the number of children served.

on the draft report. These "mini-visits" also provided indications of problems that have become more important (or less important) as the deadline for implementation of PL 94-142 approaches.

The results of these mini-visits are described in Appendix E. They are referred to in the final report, although they are not included in the detailed analysis since they were not covered in the same depth as the initial 27 states.

Based on the comments from BEH, the states, project advisors, and MAC and NASDSE staff on the draft report, this final report assessing state information capabilities under PL 94-142 was prepared. It consists of three major sections: Summary of Findings by Data Category, Major Problems and Concerns, and Recommendations.

Overview of Findings

We have found that most states are reasonably able to meet proposed federal requirements in one or two of the four major data categories, but few are strong in three or four of them. Most states do not have facilities data. The states' capability in other areas, however, varies considerably by data category and by state. Data on children by handicapping condition and age are available in most states, but reporting data on children by free appropriate public education, least restrictive environment, and priorities will create difficulties for many states. Projections of children needing service, although available, are generally weak. Data on teachers are generally available, but data on other types of special education personnel are more limited. Projections of personnel are also weak in many states. Fewer than three-fourths of the states can currently report special education program costs, and very few can provide them by handicapping condition. States that do not have this information are quite concerned about determining an acceptable method for providing it.

The major problem for all data categories and in most states is inadequate data monitoring and validation. This problem must be addressed at both the federal and state levels. MAC and NASDSE believe that obtaining accurate essential data should be emphasized. This will require streamlining proposed data requirements and establishing sound monitoring and validation procedures.

SUMMARY OF FINDINGS OF DATA CATEGORY

Findings related to data availability in the four major data categories (children, personnel, facilities, and fiscal information) and several subcategories are discussed below.

Two problems across all data categories should be noted first. In most states, data on programs in other state agencies and private schools are limited because state education agencies (SEAs) do not have the authority and/or the enforcement power to require and validate such data. Table 2 lists the number of agencies having some responsibilities for special education services in each state and indicates whether the SEA has authority over these agencies. This issue is discussed in more detail in the section titled "Major Problems and Concerns."

Another major problem exists in all categories: data validation. In several states sampled, no validation or monitoring procedures are used. In most states, SEA staff review the data, but that evaluation may be very cursory and penalties for inaccurate data are limited. Thus, there are few incentives and very limited, if any, procedures for ensuring the accuracy of data.

1. Children

The most important information requirements for ensuring that the primary objectives of PL 94-142 are met involve data on children. Although all proposed data requirements had not been finally approved when this study began, several different types of information were being considered for the mandatory child counts, the Annual Program Plan (APP), and the proposed end-of-the-year report. MAC and NASDSE interviewers reviewed data collection on children in each state and analyzed each state's ability to provide data in BEH's proposed formats for children served, children receiving free appropriate public education (FAPE), least restrictive environment (LRE), priorities, and projections of children needing service. Because most of the BEH formats request information by handicapping condition and age, we also analyzed the states' ability to obtain these data in combination with other information (e.g., LRE).

Most states are able to collect data on children served by handicapping condition and age. However, this task often requires a special survey because state and federal definitions of handicapping conditions are different, states do not collect data by age, or data are collected at different times for state and federal purposes.

Obtaining accurate data on children receiving FAPE will present some problems. Although most states have established a basic framework for FAPE, they have not developed a mechanism to ensure that it is indeed being provided (i.e., that the education is free, that the child has an

TABLE 2

RESPONSIBILITY FOR SPECIAL EDUCATION SERVICES

State	Number of State Agencies Providing Special Education				SEA Supervisory Authority Over Other Agencies?		SEA Supervisory Authority Over Private Schools?	
	1	2-3	4-5	6+	Yes	No	Yes	No
1				X		X		X
2		Not Applicable				X	X	
3				X		X		X
4			X			X[a]		X
5			X			X	X	
6				X	X		X	
7			X			X		X
8	X					X	X[b]	
9				X		X	X	
10		X				X		X
11		X				X		X[c]
12			X			X		X[d]
13			X			X		X
14			X			X		X
15				X	X[e]		X[f]	
16		X			X		X	
17			X		X			X[d]
18			X			X		X[d]
19		X			X[g]			X[h]
20		X				X	X[c]	
21			X		X		X[i]	
22				X	X		X	
23			X			X		X
24				X		X	X[i]	
25		X			X		X	
26				X		X		X
27			X		X		X[k]	

TABLE 2 (Continued)

Footnotes

[a]The law was recently amended to require the SEA to provide supervisory services, if requested.

[b]Private schools need state approval.

[c]Authority is only over children placed before enactment of current legislation.

[d]No state funds may be used for private schools.

[e]Statutory authority exists, but the state does not feel it has sufficient enforcement authority.

[f]Authority exists only if schools serve publicly-placed students.

[g]Limited authority.

[h]Authority extends only for the purpose of collecting data.

[i]Private schools must meet state standards.

[j]Private schools need state approval.

[k]However, no children are currently placed in private schools.

individualized education plan (IEP) and is receiving the services it recommends, and that the program meets the SEA's standards), nor have they established procedures to distinguish, for child count purposes, between children being served and children receiving FAPE.[1] In fact, many states consider children served to be the same as children receiving FAPE. Similarly, data on children who are unserved or underserved and severely handicapped will also be difficult to obtain.

Data on LRE are not currently available in the detail BEH desires in most states. Although more than half of the states do have data in the four major BEH categories, information is not always collected by handicapping condition and usually is not collected by age.

The ability to project the number of children needing service is also a weakness. Most states make projections by handicapping condition for federal purposes, but they are not confident about the projections or the methods used. In some states, incidence rates are based on a duplicate count, whereas PL 94-142 requires an unduplicated count. Thus, comparisons between projections based on incidence rates and those based on actual child counts may be misleading. More importantly, however, many states question the accuracy of current incidence rates, and most states do not have alternative means of projecting the handicapped population.

a. Handicapping Condition

The proposed PL 94-142 regulations define nine categories of handicapping conditions:

- Mental retardation
- Hard of hearing
- Deaf
- Speech impaired
- Visually handicapped
- Seriously emotionally disturbed
- Orthopedically impaired
- Other health impaired
- Specific learning disability[2]

[1]During the recent mini-visits, we found that more states are developing program monitoring mechanisms, but most states have not established the actual scope and procedures for monitoring.

[2]U.S. Office of Education final regulations added the two additional categories of multihandicapped and deaf-blind as noted in the Federal Register, Vol. 42, N. 163, August 23, 1977. This study does not specifically address these categories, but the state reports indicate which states collect information on them.

These categories are used to collect information in several areas--federal child counts, full service projections, priorities, LRE, and personnel. A state's inability to collect information in one or more of the handicapping categories therefore affects data collection capabilities in other areas.

State and federal categories and definitions of handicapping conditions were compared to analyze states' ability to report data. The results are shown in Table 3. Of the 27 states studied, almost half are able to supply at least eight of the nine federal categories. In most states, however, definitions or categories need to be adjusted to provide data in the federal categories. Although these states can provide some data by handicapping condition (e.g., number of children served), they do not necessarily collect all data in these categories (e.g., LRE and personnel).

Of those states that can provide information in fewer than eight of the federal categories of handicapping conditions, almost all can supply information in at least four of the nine categories. Category areas in which these states have encountered the most difficulty include combining speech and hearing or deaf and hard of hearing, including socially maladjusted children in the category of emotionally disturbed, adding a category of multiply handicapped, including language impaired in the speech category, and including pregnant students within a handicapping category. Other problems include collecting data by program areas for state purposes rather than by handicapping condition as required for federal purposes, and the difficulty of obtaining data by handicapping condition on preschool children.

Only three states are unable to provide information by handicapping condition because they categorize children by services provided. One of the states does collect information by handicapping condition for federal purposes only; however, the system includes 18 categories of handicapping conditions, several of which do not conform to federal categories. The other two states do not categorize children. One of them is just now converting to a system of not labeling children so it can, for the present, respond to BEH requests. The other one uses federal incidence rates to divide handicapped children served by the state into handicapping categories for receipt of PL 94-142 funds.

In summary, states can report information on children served by handicapping condition with varying degrees of difficulty. The difficulties, however, include differences in definitions, the necessity for special surveys to obtain the required data, and the difficulty of obtaining data by handicapping condition for preschool children.

TABLE 3

COMPARISON OF STATE AND FEDERAL HANDICAPPING CONDITIONS AND DATA AVAILABILITY[a]

State	High Correlation: 8-9 Definitions Correspond	Medium Correlation: 4-7 Definitions Correspond	Low Correlation: <4 Definitions Correspond	Availability of Data: Available	Availability of Data: Unavailable
1	X			X	
2	X			X	
3			X	X[b]	
4	X			X	
5		X		X	
6	X			X	
7	X			X	
8	X			X	
9	X			X	
10		X		X	
11			X	X[b]	
12		X		X	
13		X		X	
14		X		X	
15		X		X	
16		X		X	
17	X			X	
18	X			X[c]	
19	X			X[d]	
20	X			X	
21		X		X	
22			X	X[e]	
23		X		X	
24		X		X	
25	X			X	
26		X		X	
27		X		X	

TABLE 3 (Continued)

Footnotes

[a]This chart compares state with federal definitions of handicapping conditions and indicates whether data on children are available by handicapping condition.

[b]States do not categorize children but translate data into handicapping conditions for federal counts.

[c]At the end of the year.

[d]Data differ by federal program.

[e]Although children are not categorized, data forms ask for handicapping condition.

b. Age Provisions

PL 94-142 requires that FAPE be available for all handicapped children aged 3-18 by September 1, 1978, and for all handicapped children aged 3-21 by September 1, 1980. Children aged 3-5 and 18-21 in any state where education of these children is inconsistent with state law or practice are excepted.

Table 4 summarizes state age provisions and current data capability of the 27 states. All but one of the states visited[3] have laws mandating education for school-age handicapped children. At least one of those states defines school age as beginning at age 7 rather than age 6; it will therefore have difficulty complying with the law. Thirteen states mandate services to handicapped children aged 18-21, usually only until a high school diploma is received, eight states mandate service to 3- and 4-year-olds, and three states mandate service to children from birth to age 2. Several states also have requirements for education of certain categories of preschool handicapped children, usually the severely impaired.

In addition to the mandatory provisions, most states have permissive legislation for various age groups. Almost all states that do not mandate preschool special education allow it, although at times the legislation refers only to education of severely handicapped children. It should be noted, however, that state funding frequently is not available for serving children in permissive age groups. In addition, several states do not have permissive legislation in either the preschool or 19-21 age group.

Ninety-five percent of the states visited are able to provide information on handicapped children served in the federal age categories. Data are collected by birth date, age, or BEH age group.[4]

States encounter several difficulties in complying with PL 94-142: limited data on the preschool age population, the necessity to collect federal data by age when state data are collected by grade or grade clusters, the need to collect data through special surveys, and the need to alter state age categories to conform to BEH requirements. Thus, while some difficulties exist in obtaining data on children served by age, complying with the requirement is not a major problem. Obtaining other data (particularly LRE) by age categories is more difficult, however.

[3]The term "states visited" includes the 25 states, one territory, and one federal agency visited.

[4]Age groupings for the October 1976 child count were 0-2, 3-5, and 6-21. For the FY78 APP, the age groupings were 3-5, 6-17, and 18-21.

TABLE 4

CHILDREN SERVED: AGE

State	Mandatory Age Provisions 0-2	3-5	6-17	18-21	Permissive Ages
1			X	X	Kindergarten
2		No legislation			
3		5[a]	X		0-3 master plan districts, 3-4 yrs. 9 mos., 18-20 or completion of 12th grade
4			X[b]		0-5 deaf-blind, severely physically handicapped, trainable mentally retarded, 3-5 all others
5		4-5	X	18-19	0-4, 19-20
6			X		19-21 if students have not graduated
7			X		Below 6, above 18
8		X[c]	X[c]	X[c]	
9		5	X	18-20	0-5, 20-21
10	X	X	X	X	
11		5[d]	X	X[e]	3-4 minor disability
12			X		0-25
13			X		3 mentally retarded, aurally and visually handicapped of any age, 5 year olds, 4 talented
14			X	X	
15			X		0-5, 18-20
16		5	X		0-4, 18-21
17			X		3-5, 18-21
18		4-5[f]	X		18-21, 0-4 mildly handicapped
19	X	X	X	X	
20		X	X	X[e]	0-3
21			X[g]	X	
22	X	X	X	X	
23		4-5	X	X	0-3
24		X[h]	X	X	
25	2	X	X	X	
26		X	X	X	
27			X		

TABLE 4 (Continued)

Footnotes

[a] 4 years 9 months

[b] 13 years of education

[c] With an IQ above 25

[d] Substantial disability 3-4

[e] Without diploma

[f] 0-4 severely handicapped

[g] 4-21 hearing impaired

[h] 0-2 visually impaired

c. Free Appropriate Public Education

Providing FAPE is a key requirement of PL 94-142. The law requires that states report the number of children receiving FAPE rather than just the number of children served, which is what they currently report.

To determine if states would be able to meet the FAPE requirements, MAC and NASDSE analyzed several aspects of FAPE in each state. First, provisions in state law and regulations for various aspects of FAPE—requirements for IEPs and due process, for example—were reviewed to determine if state and federal provisions differed. Second, state officials were asked if FAPE is currently provided to most children and what problems they anticipate in meeting the FAPE requirements. Third, the procedures, if any, for ensuring the provision of FAPE within each state were reviewed. Fourth, each state's ability and plans to distinguish, for child count purposes, between children receiving FAPE and children being served were assessed.

As discussed previously, all but one of the states have laws mandating the education of the handicapped. Most of the states, either for their own law or in response to PL 94-142, have established requirements for IEPs and due process. In several states, these requirements, particularly due process, differ somewhat from federal requirements in the proposed regulations. States feel that flexibility should be allowed in complying with these requirements as long as the state establishes and uses good procedures. Education is usually free, but at least eight states make exceptions, usually for children the local education agency (LEA) places in private schools. Some states also have unique problems with FAPE. For example, one state is in the process of implementing a new special education law which is very similar to PL 94-142; however, it will not be implemented in all districts until 1982 and some districts will therefore not be in compliance with the law until then. Despite these problems, most states have developed a framework for providing FAPE and have established provisions for IEPs and due process. Difficulties in meeting FAPE are laid out in detail in each state report.

Although the framework for FAPE has been established, special education officials in most states indicated that it is not currently being provided to all handicapped children in the state, as shown in Table 5. In some cases, all of the elements of FAPE have not yet been implemented. In others, the provisions have not yet been extended to all age groups. Most states indicated that they were not yet in total compliance with PL 94-142, but many believed that they were in substantial compliance with the law. Several states, however, believe they will not be able to comply with the law fully within the time frame required.

TABLE 5

CHILDREN: FREE APPROPRIATE PUBLIC EDUCATION (FAPE)

State	Do SEA staff feel that FAPE is provided to all handicapped children within the State?		Has the State developed a mechanism to assure the provision of FAPE?		Does the State have procedures to distinguish between children served and children receiving FAPE for child count purposes?	
	Yes	No	Yes	No	Yes	No
1		X		X		X
2		X		X		X
3		X[a]		X[b]		X
4	X		X[c]			X
5		X	X			X
6		X	X			X
7	X		X			X
8		X		X[d]		X
9		X		X[e]		X
10		X	X[f]			X
11	X			X		X
12	X			X		X
13		X		X		X
14	X(5-16)			X		X
15		X		X[g]		X
16		X	X			X
17		X	X			X
18		X		X		X
19		X		X		X
20		X		X		X
21	X			X		X
22	X(school age)			X		X
23		X	X			X
24		X		X[g]		X
25	X			X[h]		X
26	X[i]			X[i]		X
27		X		X		X

TABLE 5 (Continued)

Footnotes

[a]Some but not all LEAs provide FAPE.

[b]Some but not all districts can demonstrate FAPE.

[c]All education for children placed in private schools is not necessarily free; however, the state can identify children whose parents contribute.

[d]Children with an IQ below 25 are excluded, and parents may be required to contribute to the cost of educating their child. The SEA does not have the authority to supervise all programs for the handicapped (however, proposed legislation mandates FAPE).

[e]Free education is not mandated by state law or regulations.

[f]The procedures are not yet final.

[g]Parents, at times, may pay for medical and education evaluations.

[h]Education is not always free.

[i]One possible exception, however, is large city schools.

[j]A mechanism is being developed.

TABLE 6

CHILD COUNT

State	FEDERAL COUNT: Separate Count for PL 94-142 Yes	FEDERAL COUNT: Separate Count for PL 94-142 No	FEDERAL COUNT: Monitoring Procedures	STATE COUNT: By Handicapping Condition Yes	STATE COUNT: By Handicapping Condition No	STATE COUNT: By Age Yes	STATE COUNT: By Age No	STATE COUNT: Date Collected	STATE COUNT: Monitoring Procedures
1		X	Audited	X		X		Oct. 1/Feb. 1/April 15	Audited
2	X		None	Data are collected only for federal purposes.					
3	X		Limited staff review		X		X	Dec. 31, April 15, June 30	Limited staff review[a]
4	X[b]		Staff review	X[c]			X	Oct., Feb., June, July	Program audits
5	X		Staff review	X		X		September	No formal validation
6		X	Program review	X		X		Nov. 1, update Feb. 1	Program review
7	X		Staff review	X[c]			X	September	Checked with computer printouts
8	X		On-site monitoring	X		X		July[d]	Local monitoring, SEA review and monitoring
9	X		None	X		X		June 30	No formal validation
10	X[e]		None	X		X		Sept./April	Staff review
11		X	Staff review		X		X	October	Computer check
12	X[f]		Staff review		X		X	October 1	SEA review
13	X		None	X			X	Monthly	Signature of LEA official
14	X		None	X		X		Sept. 30/May 30	No formal validation
15	X[g]		Staff review	X		X		October 1	Desk review; limited field visits
16	X		SEA review	X		X		October 31	SEA review
17	X		Four-city sample monitoring	X			X	October	LEA assurances; on-site review
18	X		Program review after data are submitted	X		X		Two weeks before end of school year	Periodic program audits
19	X		Staff review	X		X		Fall	On-site visits
20	X		None	X		X		Mid-May	SEA review
21	X		SEA monitoring system	X		X		Oct. 15/Feb. 15	SEA monitoring system
22	X		On-site	X		X		Oct.15/Feb. 15	On-site visits
23		X	None	X		X		Oct. 1/Feb. 1	No formal validation
24	X[h]		None	X		X		July 15	Superintendent's signature
25		X	SEA review	X		X		Oct. 1, Feb. 1	SEA review
26	X		None	X		X		October and end of year	Checked by review teams
27	X		None	X		X		October; updated in April	Authorized signature; on-site visits

and collect unduplicated counts. Those states that do not collect information by handicapping condition often do not collect it by age, and they do not collect unduplicated counts. Although the dates on which data are collected varies among states, many collect information during October and update it during late winter or early spring, although some collect data at the end of the school year. Monitoring procedures for state counts range from no formal validation to staff review and on-site monitoring. Although these procedures are limited, more states monitor state child count data than federal child count data.

2) Federal Child Count

PL 94-142 requires a count of children receiving services on October 1 and February 1 for funding purposes. Twenty-two of the 27 states visited found it necessary to conduct a special census of handicapped children to meet PL 94-142 child count requirements. For this count, several states added a child count form to an already developed fall survey of handicapped children. Of the states that chose to use existing data forms to perform the count, several found it necessary to make adjustments in information received because of differences in type of count collected (e.g., a duplicated state count as opposed to an unduplicated federal count) or differences in scheduling the state and federal counts.

State monitoring varies greatly. Very few states submit audited data (i.e., data that have been formally audited by either the SEA or an independent auditor). Most SEAs either review count data to identify gross discrepancies or intend to monitor and cross check the information after it is submitted to BEH. Monitoring procedures range from none to checking data against existing data at the SEA to on-site review. Approximately one-third of the states do not have any plans to formally monitor the child count. Inadequate data validation and monitoring is the major problem with the child counts, but other problems exist—scarcity of data about preschool children, timing of the child counts, and difficulty in collecting data from other agencies and nonpublic schools serving handicapped children.

e. Least Restrictive Environment

PL 94-142 requires that children be served in the least restrictive educational environment. BEH has developed forms to collect data on LRE by handicapping condition and age. Draft BEH forms used for this report include 11 LRE categories (see Appendix B). The forms issued for the FY78 plan include these 11 environmental categories but also aggregate the categories into four major categories[5] for children both

[5]The four major categories are: (1) total receiving/needing special education in regular class, (2) total receiving/needing special education in separate class, (3) total receiving/needing special education in separate school facilities, (4) total receiving/needing special education in other educational environments.

receiving and needing services. These eight additional categories make a total of 19 categories. If data were available, states were asked to supply information in all 19 categories. If not, they were required to submit data for the four major categories. The data in each LRE category are listed by federal handicapping condition and in three age groups: 3-5, 6-17, and 18-21.

As Table 7 shows, no state visited collects data on children in all 11 federal LRE categories. Moreover, fewer than half (12) of the states visited collect information in the four major categories. States report that a continuum of services is offered for handicapped children; they often have provisions similar to LRE in state law or regulations, but data are not obtainable in most states to document these services. Even when the required data are available, they indicate only where the child is being served and do not demonstrate or ensure that the location is the least restrictive environment.

Major omissions in states' LRE data include collection of data by age and handicapping condition and lack of differentiation between placement in day and residential schools. In addition, states report difficulty in collecting LRE information from other than public schools. Many states also are not able to calculate the detailed categories included in the BEH continuum of services—in particular, direct versus indirect assistance in the regular classroom, and self-contained classroom with part-time instructors in the regular class versus full-time placement in a self-contained classroom. A final data collection problem is that several states indicated they have no accurate way of projecting how many children need placement in LREs.

In addition to substantial difficulties in collecting and reporting LRE data, many states question the use for such data. They are particularly concerned that the data will create undesirable incentives to provide children with fewer services. To assume that children should be moving into less restrictive environments with the implementation of the law is to assume that they are in more restrictive environments than necessary now; however, many children may have to be put in more restrictive environments (i.e., from regular class to special class) to be appropriately served. Thus, interpretation and use of these data will be extremely difficult. For example, it is difficult to determine whether a state is in noncompliance with the law or whether it is doing a better job of diagnosing children and providing appropriate services if forms show children moving to more restrictive environments. If states will be encouraged to move children into less restrictive environments and provide fewer (and therefore less costly) services, this may have a negative impact on the quality and level of services provided.

In summary, obtaining detailed LRE data, particularly by age, will present major difficulties to many states, and some questions have been raised about the use and impact of such data.

TABLE 7

CHILDREN: LEAST RESTRICTIVE ENVIRONMENT (LRE)[a]

State	Data Available in 8-10 BEH Categories	Data Available in the 4 Major BEH Categories	Data Available in Less Than 4 BEH Categories	Major Differences Between Federal and State Categories
1			X	Only resource and self-contained data are available.
2		X		Cannot provide data on self-contained classroom with part-time instruction in a regular class; combines public and private special classes and residential placements; does not offer hospital programs.
3			X	Cannot provide data on regular class, hospital and homebound; nonpublic is not divided into day and residential; data are not reported by age or handicapping condition.
4	X			Data must be assimilated from a multitude of sources.
5			X	
6	X			No differentiation is made between placement in a self-contained classroom with part-time instruction in a regular class and in a self-contained class full-time or between resource assistance in the regular class and resource assistance in a separate room.
7	X			
8			X	Current statutes do not require a continuum of services, however, data are currently being collected on the LEA application for Part B funds.
9	X			Cannot provide data on regular class with direct services; resource room instruction must be less than half-time; data will not be collected by age and handicapping condition.
10	X			
11	X			Home and hospital programs are combined.
12			X	Data are available only from day and residential schools under the direction of the public schools (by handicapping condition, not by age); data from non public schools are not divided into handicapping condition or age.
13			X	Neither State law nor regulations specify a continuum of services; all data must be gathered by special survey.
14			X	A continuum of services is offered, however, data are not collected.
15			X	Regular class data are not available.
16		X		
17			X	No data are available on resource rooms or self-contained classes; State law prohibits nonpublic schools as an option.
18	X			State law prohibits nonpublic schools as an option.
19		X		
20		X		Public and nonpublic placement are not differentiated.
21			X	Cannot provide data on regular classroom, separate school facility.
22	X			
23	X			
24			X	Data are not collected by instructional arrangement.
25		X		
26	X			
27			X	Reporting is not consistent among LEAs.

[a] o state currently collects data in all BEH categories.

f. Projections

The quality of projections of children needing service and children expected to be served in future years is one of the greatest weaknesses in collecting data on children. Most states report that SEAs make the projections and that they are based on federal or state incidence rates, growth trends, or "best estimates." Often states use a combination of methods, such as federal incidence rates and historical growth trends. A few states have indicated that projections have not been made in the past and are not necessary for state purposes. Table 8 summarizes the methods used for projections of children.

No matter what method(s) has been employed to make projections, states do not feel secure with the projections or with the methods involved. They have indicated particular difficulty in estimating the number of unserved handicapped children and often feel that both federal and state incidence rates do not give an accurate picture of the total number of handicapped children.

g. Priorities

PL 94-142 establishes two priorities for serving handicapped children. The first priority is to serve handicapped children who are not receiving an education. The second priority is to serve the most severely handicapped within each disability category who are receiving an inadequate education. Most states have adopted these priorities, but data on them are limited.

Two primary methods are used to count the unserved (the first priority). One method is to project numbers of children needing service based on incidence rates. Children served are subtracted from these projections; the remainder are unserved. Such estimates also suffer from inaccurate incidence rates. In some states, such calculations indicate that more than half of the handicapped children are unserved, and the states do not believe this is possible. States are also concerned about the possibility of law suits if there is an indication that there are unserved children who are not receiving services mandated by state and/or federal law. The second method of counting the unserved is through child find activities, which most states provide. While good child find efforts may be the best method for reaching and determining the size of the unserved population, the number of unserved children provided through child find activities only includes the identified unserved and not the unidentified unserved. Guidelines on acceptable methods of counting the unserved for federal data requirements are needed.

With regard to second-priority children, most states do not collect information on severity of handicap except for mentally retarded, deaf, and blind. Information on whether a child is underserved also is not currently available, and new data collection efforts will be required in almost all states to provide it.

TABLE 8

PROJECTIONS OF CHILDREN NEEDING SERVICE

State	Level at Which Projections are made: SEA	LEA	Projections Based on: Federal Incidence Rates	State Incidence Rates	Growth Trends	Staff Estimates	Projections Not Made
1	X				X		
2	X[a]		X				
3	X						X[b]
4	X			X			
5		X[a]		X			
6	X		X	X	X	X	
7	X		X		X		
8	X		X				
9	X		X				
10	X			X			
11	X			X[c]	X		
12	X				X		
13	X					X	
14	X		X	X	X		
15	X		X				
16	X	X	X	X	X	X	
17	X			X			
18	X			X			
19	X[a]					X	
20	X		X				
21	X	X	X	X	X	X	
22	X						X
23	X						X
24	X		X	X			
25	X	X	X	X	X	X	
26	X			X			
27	X				X	X	

TABLE 8 (Continued)

Footnotes

[a]Projections are made within the central office primarily for federal reporting purposes.

[b]This will be done in FY78 in LEA applications; some projections may be made in certain districts.

[c]Actual services rates are used.

2. Personnel

Three major types of personnel data were examined in state visits: currently employed personnel, projections of needed personnel, and inservice training. (A summary of BEH categories is included in Appendix B.) Most states collect data on currently employed teachers by state categories of handicapping conditions, but the teachers are frequently not identified in the three BEH service categories of special class, resource room, and itinerant. Data on other federal personnel categories are not available in most of the states visited. More than half of the states visited project numbers of teachers needed, but very few project other personnel. The accuracy of these projections is also questionable. Most states do not collect information on comprehensive inservice training needs or activities in the categories BEH requests.

a. Currently Employed Personnel

Most states collect some data on current personnel. However, the categories and types of data obtained vary greatly, and personnel working with handicapped children are not always identified. BEH personnel forms included in the FY78 program plan and in proposed end-of-the-year report forms request data in 17 categories of personnel—three categories of teachers and 14 categories of other personnel. Since the states' abilities to provide information on teachers and other personnel differ markedly, findings on these categories of personnel will be discussed separately.

Table 9 shows that, in 17 of the states visited, data on special education teachers are available by handicapping condition taught. In two states, data are available by handicapping condition in which teachers are certified rather than by handicapping condition taught. The eight remaining states do not collect data on teachers by handicapping condition. Even in states where personnel data are available by handicapping condition, state rather than federal categories are used. These categories are not always comparable, but in most cases, discrepancies are minor. Some states which do not collect data on a full-time equivalent (FTE) basis have difficulty categorizing teachers who serve more than one handicapping condition.

BEH forms also request that teachers be reported in three major service categories: special class, resource room, and itinerant. Currently, only nine of the 27 states collect data in all three categories. In past APPs (in which only numbers of projected personnel were required), most states estimated the proportions of teachers in these three categories.

Data in the remaining 14 categories of special education personnel are much more difficult to obtain. Only nine states could provide data in at least half of the categories. In some states, extensive data on personnel working with handicapped children are collected, but the categories of data differ from federal categories. More significant is that many states do not collect data specifically related to special education in

TABLE 9

CURRENTLY EMPLOYED SPECIAL EDUCATION PERSONNEL

State	Teachers: Handicapping Condition* Taught	Teachers: Special Class	Teachers: Resource Room	Teachers: Itinerant	Other Personnel: Most Categories Available	FTE/ Head Count	Validation Procedures Used
1[a]	Yes	No	No	No	Yes	Both	None
2	No	No	No	No	No	Head	None
3	Yes	Yes	Yes	Yes	No	FTE	Limited review of cost data
4	Yes	Yes	Yes	Yes	No	Both	Program audits
5	No	No	No	No	No	Both	No formal validation
6[c]	No	Yes	Yes	Yes	Yes	Head	Program and fiscal audits
7	Yes	No	No	No	Yes	FTE	On-site team visit
8[d]	No	No	No	No	No	FTE	None
9	Yes	No	No	No	No	Head	Staff review
10[e]	Yes	Yes	Yes	Yes	No	FTE	None
11	No	Yes	Yes	Yes	No	Head	None
12	Yes	— combined —		Yes	No	FTE	None
13[f]	Yes	Yes	No	No	No	Head	Audited
14[g]	No**	No	No	No	No	Head	None
15	Yes	No	No	No	Yes	Head	Computer editing
16	Yes	Yes	Yes	Yes	Yes	Both	SEA staff review
17	Yes	No	No	No	Yes	FTE	On-site program monitoring
18[h]	No	Yes	Yes	Yes	Yes	FTE	Audit by SEA
19[i]	Yes	No	No	No	No	Head	Staff review
20	Yes	No	No	No	No	FTE	None
21	Yes	Yes	Yes	Yes	Yes	Both	SEA staff review
22[h]	Yes	No	No	No	No	Head	On-site monitoring
23[i]	No	Yes	No	No	No	Head	Staff review some forms
24	No**	No	No	No	No	Both	Category data not audited
25	Yes	Yes	Yes	Yes	Yes	Both	None
26[k]	No	——— combined ———			No	FTE	None
27[l]	Yes	——— combined ———			No	Both	On-site visits

*Handicapping conditions may not be consistent with federal categories. See Table 3 on handicapping conditions.

**Data are collected by handicapping category in which the teacher is certified rather than by handicapping condition taught.

TABLE 9 (Continued)

Footnotes

[a]Data are available but not aggregated at the present time.

[b]Forms have been developed to provide data next year.

[c]Data on teachers by handicapping condition taught are available but are not currently aggregated.

[d]The new LEA plan will include information on employed and needed personnel required by BEH.

[e]The state is beginning to develop data on other personnel.

[f]Informal staff surveys are taken to supply required BEH information.

[g]Because of change in classification system, teachers will not be identified by handicapped condition taught in the future.

[h]Information can be obtained by translating child count data.

[i]Personnel data are collected by funding source. No overall special education data system exists.

[j]Lack of standardized categories and differences from federal categories limit capabilities.

[k]Five categories of other personnel are available.

[l]Six categories of other personnel are available.

other personnel categories, especially when the employee, such as a counselor, works with both handicapped and nonhandicapped students. In preparing past APPs, several states left some personnel categories blank and made estimates for others when information was not available.

This problem is related to another aspect of the data: the requirement that the count be calculated on the basis of FTEs. Of the states visited, 10 do not collect information on an FTE basis. Of the states that collect FTE information, six do not use most of the personnel categories BEH employs.

b. Projections of Needed Personnel

Many states do not make projections of special education personnel, and like projections of handicapped children, accuracy again is a concern. As shown in Table 10, 15 states reported that they make projections of teachers, but several states expressed concern about the accuracy of such information. In many cases, the SEA rather than LEAs makes projections, and they are based on a combination of student enrollment projections and staff judgment. Only six states make projections in at least half of the federal categories of other personnel.

For past APPs, most states that otherwise did not make projections applied pupil:teacher ratios to enrollment projections to obtain data on teachers and estimated other personnel based on SEA staff judgment. Comparisons of these projected needs with actual personnel employed have not been made in the past, and the accuracy of many projections is questionable. If personnel projections are needed for planning purposes, steps should be taken to improve the quality of projections. First, LEAs could be asked to prepare the initial projections for the SEA to review before submission to BEH. Several states are planning to do this through the new LEA application. Second, current personnel employed during a given year should be compared to projected needs for that year and discrepancies identified. If actual personnel fall short of projections of needed personnel, a description of the reasons for the shortage and the needed services that were not provided, if any, could be developed. If current personnel exceed the projections, an explanation would also be required. Through such a process, weaknesses in projections could be identified and corrected, and the planning process would be improved.

c. Inservice Training

As shown in Table 11, most states do not collect information on inservice training needs or actual comprehensive SEA and LEA inservice training activities. Even those states that do collect information cannot provide data in the 10 training and 23 participant categories included on the BEH inservice training forms. Usually data are

TABLE 10

PROJECTIONS OF SPECIAL EDUCATION PERSONNEL

State	Projections are available for: Teachers	Most Other Personnel
1	Yes	No
2[a]	No	No
3[b]	No	No
4	Yes	No
5	Yes	Yes
6	Yes	Yes
7	Yes	No
8[c]	No	No
9[d]	No	No
10	Yes	No
11	Yes	No
12[e]	No	No
13[f]	No	No
14	Yes	No
15[e]	No	No
16	Yes	Yes
17	Yes	Yes
18[e]	No	No
19[e]	No	No
20	No	No
21	Yes	Yes
22[g]	No	No
23[h]	Yes	No
24[i]	No	No
25	Yes	Yes
26	Yes	No
27[j]	Yes	No

TABLE 10 (Continued)

Footnotes

[a]Forms have been developed to provide data next year.

[b]New LEA application will include needed personnel data for FY78.

[c]The new LEA plan will include information on employed and needed personnel required by BEH.

[d]Projections are made for federal purposes only.

[e]For the APP, pupil:teacher ratios are applied to student enrollment projections.

[f]Informal staff surveys are taken to supply required BEH information.

[g]Personnel needs can be interpreted from the number of children unserved.

[h]Lack of standardized categories and differences from federal categories limit capabilities.

[i]Total number of teachers needed is estimated but is not available by handicapping condition.

[j]Projections are rough estimates made by SEA.

TABLE 11

INSERVICE TRAINING

State	Training Activities Information			Training Needs Information		
	Available	Consistent with BEH Categories	Unavailable	Available	Consistent with BEH Categories	Unavailable
1			X			X
2[a]			X			X
3[a]	X*					X
4[b]			X	X		
5	X			X		
6	X*					X
7			X	X		
8[c]	X*					X
9			X			X
10[d]			X			X
11	X			X		
12	X*					X
13	X*			X*		
14			X			X
15	X*			X		
16	X			X		
17	X			X		
18	X*			X*		
19	X*			X		
20[e]	X*					X
21	X	X		X	X	
22			X	X		
23			X			X
24[f]	X*					X
25	X			X		
26			X			X
27			X			X

*Available for SEA-sponsored training only.

TABLE 11 (Continued)

Footnotes

[a]New reporting forms are being designed to provide the BEH information.

[b]An inservice master plan is required of all districts; next year, information will be available by type of training and position for both actual and needed training.

[c]New LEA plan will provide the required BEH information.

[d]For FY78, training needs will be included in the LEA plans in the BEH categories.

[e]LEA training data are not currently collected but are available.

[f]The SEA plans to collect data on training activities and needs in FY78.

available only for total number of participants, although some states can divide the participants into teachers, administrators, and paraprofessionals. Most states also do not use standard categories of types of training, although nonstandardized workshop titles are available.

Finally, most states in which data are available collect data only on training sponsored by the SEA. Thus, the available data do not present a comprehensive view of actual training activities in the entire state. The need for comprehensive data on both LEA and SEA training activities should be clarified. This requirement would involve significant expansion of inservice data collection in almost all states.

The inservice training forms must be simplified considerably for states to be able to provide meaningful and reliable data. If it is necessary to obtain data on types of participants, only basic categories such as teachers, administrators, and paraprofessionals should be used. Also, since states provide inservice training information through Title VI-D, coordination of data requirements for PL 94-142 with those of Title VI-D is desirable.

3. Facilities

Table 12 summarizes the availability of information in the seven categories of facilities included on the proposed BEH form. Twenty-four of the 27 states visited do not collect data on existing and needed facilities in these categories. Only one state can provide most of the information requested on existing and needed facilities. Many states question the need and usefulness of the facilities information. They do not need the information for their own purposes, and they fail to see how the information will be used at the federal level.

4. Fiscal Information

The key element in the requirements related to fiscal information is the states' ability to segregate and report costs of special education programs. The determination of excess cost as defined in PL 94-142 requires the identification of special education program costs. PL 94-142 also requires the Commissioner of Education to report annually to Congress "the amount of federal, state, and local expenditures in each state specifically available for special education and related services."

As shown in Table 13, 19 of the 27 states can provide data on special education program costs. However, the definition of program costs differs among states, and only 11 of them audit the information. In states where fiscal information for special education program costs is unavailable, providing the information will be a major problem. Developing and implementing a program cost-accounting system is both expensive and time-consuming. When such systems are not needed for state purposes, it is unlikely that states would develop the systems without considerable federal support.

TABLE 12

FACILITIES

State	Data on Existing Facilities		Data on Needed Facilities	
	Available*	Unavailable*	Available*	Unavailable*
1		X		X
2[a]		X		X
3		X		X
4[b]	X		X	
5	X			X
6[c]		X		X
7		X		X
8[d]		X		X
9		X		X
10[e]		X		X
11		X		X
12		X		X
13		X		X
14		X		X
15		X		X
16		X		X
17				X
18				X
19		X		X
20[f]		X		X
21[g]		X		X
22		X		X
23	X			X
24		X		X
25[h]		X		X
26		X		X
27		X		X

*Seven categories of facilities data were included in proposed BEH forms. If a state can provide data on four or more of these categories, then the available column is marked. If less than four are available, the unavailable column is marked.

TABLE 12 (Continued)

Footnotes

[a]A form incorporating the facilities reporting requirement has been designed.

[b]Data on projections of needed private school facilities are not available.

[c]The adequacy of district facilities is assessed, but state officials do not see a need for data on the number of facilities.

[d]The new LEA plan will provide data on existing and needed facilities in FY78.

[e]A facilities information system has been developed, but it has no breakout of special education classrooms, just special schools.

[f]LEAs submit five-year facilities plans, but they do not include most BEH categories.

[g]Most data could be obtained, although it is not currently aggregated.

[h]Data exist but are not currently reported.

TABLE 13

FISCAL INFORMATION

State	Special Education Program Expenditures Available	Expenditures Available by Handicapping Condition	Validation Procedures Used***	Excess Cost Funding Used
1[a]	X*	X	Audited	Yes
2				No
3	X*	X	Audited	No
4	X	X	Audited	No
5	X		SEA review	No
6[b]				Yes
7	X	X**	Audited	Yes
8				No
9	X*		Staff review	No
10				Yes
11	X		Audited	Yes
12	X	X	Staff review	Partial
13	X		Audited	No
14	X	X**	None	Yes
15[c]				No
16	X	X	SEA audit	No
17	X		SEA review	No
18[d]				No
19				No
20[e]	X	X	Audited	Yes
21	X*	X	SEA field review	Partial
22[f]	X		Audited	No
23	X		Audited	No
24	X*		Audited (every 5 years	No
25	X	X**	SEA audit	Yes
26	X	X	Audited	No
27				No

*Only direct costs; indirect costs are not allocated.

**By state definition.

***Where special education program costs are not available, they cannot be validated and therefore no procedures are listed.

TABLE 13 (Continued)

Footnotes

[a]In FY78, a weighted formula will replace excess cost funding.

[b]Personnel costs can be aggregated for special education; the state uses personnel costs as a proxy for excess costs in its excess cost funding mechanism.

[c]SEA staff have estimated special education program costs in some categories.

[d]Personnel costs can be identified, and some large LEAs compute total special education costs by handicapping condition.

[e]The State is now implementing excess cost funding.

[f]Special education funds are included as a separate category in LEA annual reports.

Providing costs by handicapping condition is even more difficult. Only 11 of the states visited can supply that information. Furthermore, in many cases, state and not federal categories of handicapping condition are used. Thus, very few states can provide special education program costs by federal handicapping categories.

MAC and NASDSE believe that obtaining accurate information on the cost of special education programs will be very difficult for many states. Clearly the most desirable data are audited program costs. The accuracy of cost data that are either not audited or are based on staff estimates rather than accounting systems is questionable at best. MAC and NASDSE believe that if the information is to be useful, it must be accurate. To obtain accurate fiscal information, standard acceptable methods for identifying special education costs in states that do not currently collect such data are essential.

MAJOR PROBLEMS AND CONCERNS

During this study, MAC and NASDSE consultants have identified major problems that states have in responding to BEH data requirements under PL 94-142. The consultants have also reported concerns about implementing the law that state officials expressed during the site visits.

Although some overlap exists between problems the consultants identified and those state officials expressed, the problems state officials stressed are not always those our consultants identified as they surveyed the states' resources.

Therefore, we have listed the concerns expressed by state officials below in the order of the frequency with which the states mentioned them. Following each state concern, we have inserted MAC/NASDSE comments on the extent of the problem and its relative priority with regard to all of the problems listed. Then we have described problems which we identified but which state officials did not emphasize in our 27 in-depth site visits and have provided a list, in order of priority, of the 10 major problems MAC and NASDSE consider to be most significant. Finally, at the end of the section, we have discussed the comments and concerns the states expressed in the more recently conducted mini-visits since they provide some indication of which state concerns are becoming more important as implementation of the law and regulations approaches.

1. General Concerns Expressed by State Officials

   Although SEA officials often mentioned problems peculiar to their own states, and despite the wide disparities in data capability, a surprising congruence emerged in listing major concerns. The concerns expressed most frequently were:

   - o Administrative burden and general inflexibility/unsuitability of the PL 94-142 reporting requirements
   - o Insufficient funds to implement and enforce the law
   - o Shortage of qualified personnel to implement and enforce the law and other personnel constraints
   - o Inability to meet federal deadlines and related problems with scheduling.

   Other difficulties SEAs perceived involved the necessity to serve first-priority children before using money for second-priority children, IEPs, problems coordinating services and information reporting with other agencies, data on facilities, accuracy of data, discrepancies in the categorization of children, discrepancies and inconsistencies in age requirements, excess cost stipulations, uncertainty about the permanence of the new requirements, and forming consortia to meet PL 94-142 requirements.

Each of these concerns is discussed below in descending order of importance to the states surveyed.

a. Administrative Burden and General Inflexibility/Unsuitability of the PL 94-142 Reporting Requirements

State Concern: The extensive and extremely specific data BEH requires was by far the most common complaint of state administrators. They hope that BEH will allow states some flexibility in administering the law; otherwise, they believe that PL 94-142 will prohibit them from setting their own priorities based on their own particular needs. The reporting forms, which seem to go beyond the letter and the spirit of the law, are viewed as obtuse intrusions into more progressive local practices and policies.

Many SEAs have been trying to decrease the paperwork and information required from the LEAs. PL 94-142 will have the opposite effect, and the extra work (and decreased autonomy, in some cases) may cause local resentment, ultimately resulting in less effective data collection. Some states have questioned the utility of the information required; they believe that some of the requirements (particularly LRE) are unsuitable for the purposes intended. Therefore, officials view the reporting requirements as a necessary evil in securing additional funding and not as a way to report accurate data of any educational or administrative significance. Similarly, some SEA staffs are cynical about what BEH will do with the data it receives. Since many believe that the information will never be used, they consider improving the reliability or consistency of data a waste of time. (Comments by states 1, 4, 5, 6, 7, 8, 9, 11, 15, 21, 22, 23, 25, and 27.)

MAC-NASDSE Comment: BEH requirements extend far beyond the current data capabilities of most states. A consolidation of data requirements to cover only essential information necessary for implementation of the law, coupled with appropriate monitoring procedures, would lead to states' submitting more accurate data. MAC and NASDSE believe that the gap between the current state capabilities and the information being requested is the second most significant problem which must be resolved to obtain accurate and useful information not only to meet the technical requirements of the law but more importantly to provide information which will help both the states and the federal government fulfill the intent of the law in ensuring that handicapped children are appropriately served.

b. Insufficient Funds to Implement and Enforce the Law

State Concern: Many states argue that they will not be able to comply with PL 94-142 because their administrative and program funds are not sufficient to meet new requirements. They feel that if the federal government is going to ask for such specific information, it must

provide the financial resources necessary to report it. In large, sparsely-populated states with many rural areas, the costs of developing programs may be even greater than they would be in urban communities. (Comments by states 2, 3, 7, 8, 9, 10, 15, 16, 19, 20, 21, 22, and 25.)

MAC-NASDSE Comment: While some states may need more resources to effectively implement PL 94-142, MAC and NASDSE do not believe that lack of money, particularly SEA administrative funds, is a major problem. First, some federally funded staffs in the states perform functions which support state as well as federal programs. This is inevitable in many cases since the same activity (i.e., child count) is used for both state and federal purposes. However, if federal funding were allocated only for that portion of time spent on federal activities, more resources would be available to support the implementation of the new law. Second, as Part II of this report indicates, the cost of providing the data is generally not large; it is constraints other than cost (staffing, timing, etc.) which present the major problems in most states in meeting the information requirements. It should be noted, however, that this study addresses primarily the problems and constraints at the SEA level. At the LEA level, shortage of funds may be a more significant problem.

c. Shortage of Qualified Personnel to Implement and Enforce the Law and Other Personnel Constraints

State Concern: The concern about insufficient funding is inextricably tied to the problem of hiring enough competent personnel. However, some states have singled out this difficulty, and thus it is separated from the lack of funds despite their intimate relationship.

Training and retraining or recertifying the necessary numbers of qualified persons to meet the full-service goal will cause difficulties in several states. Some have had problems attracting competent personnel to work in LEAs and SEAs because of low salaries, isolated locations, and inability to provide employee benefits or job security. Some states have limitations on the number of personnel who can be hired, and others are dealing with proposed or imminent staff cuts. Officials have commented that the IEP provisions in particular will require additional staff and additional training. (Comments by states 1, 2, 3, 4, 5, 9, 13, 15, 16, 21, 22, 25, and 27.)

MAC-NASDSE Comment: Staffing constraints, particularly ceilings on the number of employees, do present problems for some states. More significant with regard to data collection and monitoring, however, is that insufficient numbers of staff are often assigned to this task and many state staff members, who are largely special educators by training, prefer to work on more programmatic activities. While personnel issues do present problems to some states, MAC and NASDSE do not believe that it is one of the major problems across all states.

d. Inability to Meet Federal Deadlines and Related Problems with Scheduling

State Concern: State officials do not consider BEH deadlines realistic—even if substantial financial support is provided. The child count and APP inparticular cause difficulty. In general, the dates for collecting federal data do not correspond to the dates for collecting state data, which means that states may have to conduct separate surveys.

SEA administrators are concerned that specifying the days on which child counts take place will result in losing some children who do not participate regularly in the program. Although it is a statutory requirement, October is felt to be too early in the school year for an accurate count of children and personnel. In addition, guidelines for and reviews of child count data cannot always be completed by the time the required data are to be submitted. Final requirements need to be established earlier and the states allowed more lead time.

Several states believe that the April deadline for the APP should be moved to June. Bureaucratic imperatives as well as state laws demand that all data be given wide circulation before being approved and then submitted. This is a time-consuming operation. (Comments by states 3, 4, 7, 11, 14, 15, 21, 22, and 26.)

MAC-NASDSE Comment: MAC and NASDSE believe that timing is one of the major problems in fulfilling data requirements. The states need more lead time to develop good systems for collecting the data, to integrate new data requirements into existing systems, and to communicate effectively with LEAs about changes in data requirements. BEH should forward final guidelines and requirements sufficiently in advance of deadlines and allow sufficient time after the reporting period ends to tabulate and validate data. In addition, flexibility in timing the counts would be helpful so that, for example, if a state count is required on September 28, the information can be used for the federal fall count. Finally, and perhaps most importantly, the timing of data collection should be directly related to the purpose for the data, and deadlines based on when the information will be useful to both the states and BEH should be established. For example, planning information should be submitted in time for the plans to be reviewed and/or revised, and for steps to be taken to implement the plans. If plans are submitted in September when the school year is starting, sufficient time is not available to thoroughly review and systematically implement the plans.

e. Priorities

State Concern: Some SEAs question the wisdom of locating all first-priority children before expending monies to improve services to second-priority children. They believe that serving second-priority

children is just as important as locating and serving first-priority children, especially since the former greatly outnumber the latter. Too many children must wait for additional or new services because a few children are not yet receiving any education. Some states will have trouble compiling an accurate count of unserved and inadequately served children because they base their figures on incidence rates, which are not considered a reliable measure. (Comments by states 3, 7, 8, 15, 21, and 27.)

MAC-NASDSE Comment: Most states have established the required priorities, but there is a problem with counting children by priority, particularly the unserved. As discussed previously, incidence rates are not considered accurate, and states are reluctant to use them to project the number of unserved children. Some states are also concerned that legal problems will occur if they indicate that some children are unserved when state law requires that they be served. The only alternative available to most states is data attained through child find activities. The states we visited recently in our mini-visits emphasize this problem even more, indicating perhaps that as BEH data requirements are becoming understood, this problem is becoming more important. Guidelines for counting or projecting the number of unserved children need to be developed.

f. Individualized Education Programs

State Concern: The development and maintenance of an IEP for each handicapped child will demand much time and involve additional staff specialists. IEPs already in use may conflict with federal requirements. Furthermore, it is unrealistic to require that each child have an IEP by the time mandated by law. (Comments by states 1, 3, 8, 12, 21, and 25.)

MAC-NASDSE Comment: Although there was some concern at the time of our visits that guidelines have not been developed nor training provided in the development of the IEPs, MAC and NASDSE do not believe the development of IEPs is a major problem for SEAs. However, the development of IEPs is probably a more significant problem for LEAs. The major problem related to IEPs for the SEAs is the need to monitor and validate both programs and data, which is discussed below.

g. Problems with Other State Agencies and Private Schools

State Concern: Collecting data and exacting compliance from other agencies is extremely difficult. Because most SEAs do not have authority over the related programs of other state agencies, they cannot force the agencies to provide or audit information to meet PL 94-142 requirements. SEA officials have also expressed concern that other agencies may use PL 94-142 to "dump" their responsibilities for handicapped children onto the public education system. Similarly, many states cannot demand information from private schools nor monitor the data. (Comments by states 4, 15, 17, 19, 21, and 26.)

MAC-NASDSE Comment: Most SEAs do not have the authority and/or the enforcement power to collect and monitor data or to review progress of other state agencies to ensure compliance with PL 94-142. Further, it is unlikely that SEAs will be able to obtain such authority or enforcement powers in the near future in spite of PL 94-142 requirements. Realistically, most states will have to rely on voluntary cooperation to obtain data and enforce program standards. Although such cooperation may be more limited than full recognized legal authority, it may be the most practical approach, given the nature of interagency politics in many states. To this end, BEH should develop and disseminate models for voluntary interagency cooperation. After other major problems (i.e., monitoring, data requirements, timing) have been solved and major provisions of the law implemented, this issue should be scrutinized more closely.

h. Lack of Facilities Data

State Concern: Data on facilities are not felt to be as important as other types of information, and states feel it would take too much effort to bring this capability up to the level BEH requests. In addition, the information desired is felt to be too extensive and not comparable to information requested on general education facilities. (Comments by states 5, 12, 14, 22, 24, and 26.)

MAC-NASDSE Comment: Most states are not able to provide good information on facilities used by the handicapped. MAC and NASDSE believe that this requirement is less important than other data categories and that it ought to be eliminated.[6]

i. Accuracy and Validity of Data

State Concern: State officials recognize that some information collected is not accurate; however, because no penalties or reprimands can be enforced, compliance cannot be ensured. Projections in particular have been singled out as a weakness. Some states view improving data monitoring and auditing procedures as a drain on SEA staff time. (Comments by states 2, 12, 15, 21, and 25.)

MAC-NASDSE Comment: Accuracy of data and the need for monitoring and validating data are the most significant problems across all data categories and most states. Monitoring procedures most often are limited to staff off-site review and computer checks, neither of which guarantee the validity of data submitted by LEAs. When visits

[6]BEH did not include this requirement in the FY78 APP guidelines.

occur, they are often programmatic and not intended to assess data procedures and accuracy. More significant, however, is the need for understanding the purpose of validation and the importance of such procedures in providing quality educational services. Data validation is often incorrectly labeled a compliance procedure; it is really a procedure which is included in a good planning and management control system to ensure that the information accurately reflects the current situation so that appropriate actions can be taken to solve problems or make improvements.

The relationship between program/compliance monitoring and data validation, however, does need clarification. Program/compliance monitoring is needed to ensure that LEAs are in compliance with the law in terms of the procedures they follow and the programs they offer. Data validation ensures that data submitted are accurate. While data validation, therefore, can be separate from program monitoring, the two are related in areas such as counting children receiving FAPE where the child has to have an IEP and has to be receiving the services indicated in the IEP free of charge in programs which meet state data standards. Further, the logistics of program/compliance monitoring and data validation, which both require on-site visits to be most effective, make it most practical to combine the two in one visit. An overall program monitoring and data validation process is probably the most efficient and effective method.

Unfortunately, data validation has been misinterpreted as a "policing" function, which has a negative connotation. It is a logical part of an effective planning and control system. It does not have to be threatening and can provide all levels of government with information needed to ensure that resources are appropriately allocated to provide handicapped children with the services they need. If the data collected and used in the planning and control process are not reasonably accurate, the children are the ultimate losers since resource allocation decisions will be based on inaccurate information.

j. Discrepancies in Child Categories

State Concern: Some states do not categorize or label children. Therefore, they cannot determine the actual handicapping conditions and must translate the information into BEH classifications, which is a cumbersome process. (Comments by states 7, 11, and 26.)

MAC-NASDSE Comment: While several states have problems with some of the categories and a few have philosophical differences with regard to categorization of children, MAC and NASDSE do not believe this is a major problem. Frequent changes in the categories, however, do cause difficulties in the states. In the mini-visits conducted after the final regulations were published, states indicated great concern over the addition of two categories which had not been included previously. These new categories required changes in child count forms and

procedures which, in several cases, had already been developed and printed. LEAs may also have problems interpreting the categories. Thus, while reporting data on children served by handicapping condition is not a major problem, changing the categories does cause difficulties.

k. Discrepancies and Inconsistencies in Age Requirements

State Concern: Federal age and age groupings are different from state laws and regulations. These differences impair data capability on age and LRE. Data on children under age 5 are particularly limited, and setting aside funding for these children is sometimes seen as a problem. (Comments by states 14, 15, and 21.)

MAC-NASDSE Comment: Except for LRE data, reporting data on children by age is not a problem for most states.

l. Excess Cost Stipulations

State Concern: State officials expressed several concerns related to excess costs. They believe that a program cost-accounting system would be necessary to meet federal requirements, and they view such a system as prohibitively expensive. State officials also were concerned about the use of the excess cost funds for direct services and the necessity of calculating costs at the LEA level. (Comments by states 15, 19, and 24.)

MAC-NASDSE Comment: Much confusion has been noted over the fiscal requirements of PL 94-142. The excess cost formula is not well understood, and adequate methods have not been developed at either the state or national level to demonstrate the use of federal, state, and local funds for excess costs where special education program costs are not available. While the final regulations provide some clarification of the definition of excess costs, several states do not have the special education program costs or the categorization by elementary and secondary costs required to make the indicated calculations. Special education program costs need to be defined and methods developed for providing them in states where they are not available.

m. Uncertainty about Requirements

State Concern: Because BEH frequently changes its mind in midstream about requests from SEAs, some states hesitate to incorporate changes that are not yet definite. Even when changes are final, sufficient time is not always available to meet the specified requirements. Lack of approval of the final regulations of PL 94-142 is a source of general confusion among administrators. (Comments by states 8 and 9.)

MAC-NASDSE Comment: Neither the 27 states visited nor the consultants emphasized this issue as a major problem during the winter and spring of 1977. However, during the mini-visits conducted in September 1977, states visited expressed this concern as a major problem. The issuance of final regulations six weeks before the required October 1 child counts with handicapping conditions different from those included in previous instructions caused considerable consternation among the states visited, especially among those which had taken the new requirements very seriously and developed revised data collection systems. Uncertainty about requirements makes it very difficult for states to plan. "Last minute" changes certainly discourage them from doing so. This also creates problems with LEAs when SEAs are unable to answer questions and provide information on requirements before school opens so that LEAs can prepare to meet them. This lack of planning and communication with LEAs serves only to exacerbate the problem of obtaining accurate data.

n. Consortia

State Concern: Developing consortia as required by PL 94-142 will be difficult because many LEAs resist sharing decision making and giving up authority. (Comments by states 1 and 9.)

MAC-NASDSE Comment: This is not a major problem across the states visited. However, some states will have problems and may require assistance from BEH.

2. Other Problems Identified by MAC and NASDSE

In addition to the problems discussed above, MAC and NASDSE identified some problems which the states did not emphasize.

Demonstration and Interpretation of FAPE: MAC and NASDSE consultants have found that most states do not yet have adequate mechanisms to ensure that FAPE is provided to all handicapped children. Furthermore, most states do not have plans to develop procedures to differentiate handicapped children receiving special education services from those receiving FAPE. Without further direction and monitoring from BEH, it is likely that, for child count purposes, states and/or LEAs will consider children served to be the same as children receiving FAPE. Since this information relates directly to the primary objective of PL 94-142, greater emphasis should be placed on obtaining accurate data ensuring that children are receiving FAPE. Specific instructions regarding what specific criteria must be checked before a child is counted as receiving FAPE should be issued. Further, BEH should ensure that the SEAs have adequate procedures to ensure that LEAs are interpreting and counting children receiving FAPE correctly. These procedures should be reviewed as part of BEH monitoring of the states.

Role Change of SEAs: The requirements of PL 94-142 imply a role change for the SEAs—from one that is primarily to provide LEAs technical assistance to one that involves additional administrative and compliance review responsibilities. The new provisions for pass-through funding to LEAs and the related supervisory requirements demand a different type of

oversight role for SEAs. To make this adjustment, SEAs will need technical assistance in management areas such as planning and control. A greater understanding of the importance of management control in ensuring quality education and of methods for improving existing systems or developing new ones is needed.

Integration of Data Systems: Special education divisions have great difficulty integrating data collection. Often, financial, facility, and personnel information is collected by other divisions within the Department of Education. Thus, most states do not have an integrated data system for special education. Coordination among divisions that collect information is also a problem. Several special education officials complained that the state is trying to decrease the amount of data collected while the federal government is requesting more information. The combination of state efforts to reduce data collection and federal efforts to increase it has many times caused contention among divisions.

Another related problem is that many states have responded to federal requirements by adding new forms. Many federal requirements, particularly those for data on children and personnel, might be more easily met by revising the existing data collection system rather than adding new forms. For example, child data might be more easily obtained by filling out one form containing all the necessary information on each child, feeding this information into a computer, and then generating the needed reports. Such a system would, however, require substantial changes in some states, data collection systems. They also require time and money, and, as noted above, the special education units may not have the needed leverage to initiate such a change. In the long run, however, such systems afford more flexibility and may be less costly and more accurate. A final problem is the need for coordination of federal data requirements under different programs.

Several states raised this issue as a concern during the mini-visits. They particularly saw a need for integrating federal and state data collection efforts to simplify the process and minimize the burden on the LEAs. They also indicated that they could use assistance in such efforts. MAC and NASDSE believe this would be a most beneficial area for technical assistance.

Inaccuracy of Incidence Rates: It is widely acknowledged that national incidence rates may be inaccurate, and most states have not been able to devise methods of their own for projecting the handicapped population.

To summarize, the 10 major problems MAC and NASDSE identified based on the 27 in-depth state visits are listed below in order of importance.

1. Accuracy and validity of data; monitoring and validation

2. Extensiveness of requirements

3. Demonstration and interpretation of FAPE
4. Problems with other state agencies and private schools
5. Excess cost stipulations
6. Federal deadlines and related problems with scheduling
7. Role change of SEAs
8. Integration of data systems
9. Inaccuracy of incidence rates
10. Lack of facilities data

These are the major problems which MAC and NASDSE believe should be addressed. During our recent mini-visits to volunteer states we had not previously visited, officials generally agreed that these were the major problems. However, these later visits indicated that the priority may have changed as the date for implementation approaches. Based on these visits, the uncertainty about requirements would have to be added to the list. States now consider integrating data systems more important. States were also concerned about the demonstration of FAPE and the requirement for reporting according to priorities, particularly the unserved. The one concern that remains relatively consistent across states and through both the in-depth and mini-visits is the need for the information requested and how it will be used.

RECOMMENDATIONS

This study has generated a substantial data base so that the kinds of information available and the extent to which proposed requirements may represent a burden on the states can be meaningfully assessed. This information can be used to improve the quality and usefulness of information collected under PL 94-142, to address the technical assistance needs of the states, and to minimize the expenditure of human and fiscal resources by the states and BEH. To this end, MAC and NASDSE make the following recommendations:

1. Monitoring and Validation Should Be Stressed.

   MAC and NASDSE believe that key criteria for establishing information requirements are that the data will be used and action taken on the information submitted. However, if the data are to be used to make decisions about future needs and directions, they must be accurate. Currently, accuracy is a major problem.

   Procedures to monitor and validate data obtained from LEAs and other agencies are weak to nonexistent in most states. The monitoring procedures that have been developed relate primarily to program compliance rather than to data accuracy. MAC and NASDSE believe that the existence of sound data monitoring and validation procedures is the single most important factor in obtaining accurate, useful data. It is an important management tool which can be valuable to all levels of government to ensure that the information on which decisions are made is accurate. Indeed, it is critical to the integrity of the decision-making process which will ultimately affect the handicapped children who are the focus of our concern.

   Monitoring and validation procedures should be formulated and used at both the federal and state levels. To this end, BEH should review the few existing monitoring models in the states,[7] develop and disseminate several acceptable models and methods, and require BEH staff and states to use them.

2. Data Requirements Should Be Streamlined.

   Most states still have to make adjustments to meet almost all of the proposed BEH data requirements. If all proposed data are finally required, states will find it extremely difficult to meet the data requirements. Also, the more detailed the data, the more difficult they are to monitor and the greater the chance for error. MAC and NASDSE believe that there is a direct link between quantity and quality of information—the more extensive the data requirements, the less accurate the data submitted are likely to be. MAC and NASDSE recommend that data requirements be streamlined and that quality rather than quantity of information be emphasized.

[7] A description of exemplary practices in terms of monitoring and validation and data systems is included in Appendix F.

We believe further that data requirements should be limited to essential information that is needed for and will be used for planning and control purposes, and for ensuring that states are complying with the law. The requirements should also be timely so that both BEH and the states can use the information for the purposes intended. The following specific adjustments should be made to streamline data requirements:

- Eliminate the requirement for data on facilities.
- Eliminate some of the personnel categories and consolidate the remaining ones.
- Eliminate the LRE data requirement unless its use and interpretation can be clarified. If it is clarified, limit LRE data to four major categories and eliminate the age requirements.
- Eliminate the requirement for inservice training data, at least in the first years of implementation.[8]

In summary, we believe that information on children is the most important and that resources, at least in the early years of PL 94-142 implementation, should be devoted to ensuring that good child data systems are in place. Other data requirements should be simplified or eliminated.

3. Phasing in Data Requirements Should Be Considered.

In many states, meeting all the new requirements in the time required will be a problem. If all data requirements are implemented within a short time frame, states will make an effort to meet them, but the quality of the information will be questionable. To ensure that quality data are submitted, BEH should phase in the data requirements. To do this, the data needs should be ranked and compared to state data capabilities. Those data which are high priority and which the states can provide without great difficulty (such as children served) would be required as currently scheduled. Those requirements which are high priority but which the states will have difficulty providing accurately, such as children receiving FAPE and excess costs, would also be required as currently scheduled. However, careful guidelines, monitoring, and technical assistance should accompany these requirements. Lower priority information which the states will have difficulty providing, such as LRE and detailed categories of other personnel, should be requested at a later date. In the meantime, developing good information systems which can more easily provide the needed data should be emphasized. These systems could be developed with the knowledge of the full data that will be required and the dates they will be required.

[8]If possible, obtain needed information from Title VI-D reports. Several states mentioned the need for improved cooperation among different divisions in BEH and coordination of the data requirements. If this is not possible and inservice training data are viewed as essential, the participant categories should be consolidated into three or four major categories (teachers, administrators, other school personnel, and parents and other groups), and the required data should be phased in, particularly if comprehensive SEA and LEA data rather than the SEA-sponsored training data are needed.

4. Planning and Control Information Should Be Coordinated.

Two key aspects of any management system are planning and control. The planning process defines expected accomplishments; the control process identifies actual accomplishments so that performance may be evaluated. The data requirements need to be developed to support these two processes at both the federal and state levels. For both processes, one must define what information is needed, how it will be used, and when it will be used. The two processes are useful only if action is taken on the information received. Use of the information should be directed toward identifying problem areas to be addressed during the year or in plans for future years as well as toward improving the planning process itself.

To be most valuable, comparable information should be requested in both planning and control documents (i.e., the APP and the end-of-the-year report), and mechanisms should be established to take action based on an analysis of the information. BEH should develop its system based on these principles and should provide technical assistance to states in developing their own planning and control systems. Most states currently do not have such systems.

5. Technical Assistance Should Be Provided in Several Areas.

Many states will need help with individual data requirements. More importantly, however, states need assistance with overall systems development and operations. The most extensive system needs are monitoring and validation, information systems, and overall planning and management control systems.

With regard to monitoring and validation (discussed above), states need assistance both with program/compliance monitoring and data validation techniques. Information on alternative model systems should be disseminated to the states and assistance provided on tailoring systems to states' particular needs. States also need assistance with information systems, both in integrating existing data systems and developing more flexible and less cumbersome information systems. Finally, overall planning and management control systems are needed. To this end, the federal procedures (i.e., the APP, the child count, and the end-of-the-year report) should be structured and used to provide a good model to states on how these systems should work. Assistance should be given to states in developing their own systems, integrating to the extent possible state and federal planning and management control needs.

Other specific requirements which require clarification and with which many states will need assistance are interagency cooperation, projections, priorities (especially the underserved), and excess cost.

6. BEH Should Take a Leadership Role in Compliance.

BEH should establish guidelines, procedures, and requirements sufficiently before deadlines to allow states to make needed adjustments sensibly and efficiently. Then BEH should monitor state efforts closely to identify problems that need to be resolved, to provide assistance where appropriate, and to ensure that the law is effectively implemented. While ensuring compliance is clearly an objective of such monitoring, the real benefits lie in the areas of problem identification and resolution. Well developed and conducted monitoring at the federal level can serve as an example to the states and should not be threatening to those who are making efforts to implement the intent of PL 94-142 and to serve handicapped children.

BEH staff should carefully review all plans and information submitted. Discrepancies and problems should be quickly identified and brought to the states' attention with specific suggestions for remedying the problems. Compliance reviews should be continued. These reviews should provide specific recommendations to states for the solution of problems, as many of these reviews have already done. An appeals mechanism is probably needed to work out disagreements between state and BEH staff, and follow-up procedures should be conducted systematically.

BEH also needs to maintain flexibility in its system for dealing with states which are at varying levels of implementation. The majority of the states need help with procedures and, with some assistance, will be in substantial compliance with the law and its intent. A few states, however, already are in substantial compliance, have developed and implemented most necessary procedures, and are now more concerned about implementing more sophisticated information systems and developing effectiveness measures for various aspects of education of the handicapped. Likewise, a few states will have serious problems complying with the law and its intent. These states will require additional assistance from BEH, particularly where legal technicalities are involved. Where efforts to comply with the intent rather than the technicalities of the law are in question, sanctions may need to be applied to achieve compliance.

CONCLUSION

MAC and NASDSE undertook this study to assess states' current data capabilities as they relate to information requirements of PL 94-142. We believe the study has accomplished that purpose. The final report contains detailed information on each of the data categories. This information can be used to revise requirements, forms, and procedures. Further, we have made six specific recommendations which will alleviate the major problems identified. Each of our recommendations, while discussed individually, is closely related to the others. As a whole, they present what MAC and NASDSE believe to be a practical strategy for establishing and implementing effective, but reasonable, information requirements under PL 94-142.

The basic premise underlying all of the recommendations is that the information supplied should be needed and used to make decisions affecting handicapped children. Once the need is established, the states' ability to provide the information and the relationship of the requirements to planning and control systems must be considered.

To ensure that information requirements meet these considerations, we recommend several changes. Requirements should be streamlined and some requirements should be phased in to allow states time to develop the necessary capability and to reduce the initial burden on SEAs and LEAs. Deadlines for submitting the required information should be established based on when accurate information can reasonably be obtained and when it will be needed for either planning or control purposes. Once these deadlines and requirements have been established, they should be communicated to the states sufficiently before the deadline so that appropriate arrangements to obtain the information can be made. BEH should take the initiative to ensure that states establish and use effective monitoring and validation procedures setting an example through its own monitoring and validation procedures. It would be helpful if BEH were also to provide states with technical assistance in developing these capabilities.

MAC and NASDSE recognize that implementing this strategy will require both BEH and the states to make adjustments and that some of the adjustments will not be easy. However, we believe these adjustments will contribute substantially to the basic purpose to which both BEH and the states are committed—ensuring and improving the quality of education provided to handicapped children.

PART II

SEA DATA COLLECTION AND PROCESSING COSTS

INTRODUCTION AND METHODOLOGY

While the prime objective of this study was to analyze states' ability to meet data requirements under PL 94-142, BEH requested that we estimate SEA costs of meeting the data requirements. Since producing full cost estimates would be a major undertaking which is not within the scope or time of this study, MAC developed a methodology for estimating direct SEA costs for data collection and processing and applied the methodology to six of the states visited.

This report presents, for six SEAs, estimates of the costs associated directly with collecting and processing the information requested in the APP, the end-of-year performance (EOYP) report, and the child count.

States with a variety of characteristics and data capabilities were selected (states 7, 8, 9, 12, 22, and 24). However, one should not view these states as a statistically significant or representative sample of all states. Given the large disparities that exist in the data capabilities of the various states, it is impossible to estimate data collection costs without reference to a specific state's actual capabilities.

This document does not estimate the cost of financial data collection and processing because the design of the financial forms is still tentative. It can, however, be said that the latest version of these forms, presented at the June 8 CEIS meeting, is highly detailed and will require most states to install a totally new cost accounting system at the LEA level.

The cost estimates in this report are based on assumptions made in cooperation with MAC and NASDSE state interviewers as to the procedure the state will follow in obtaining its data and the effort required for each part of this procedure (taking into account the number of LEAs and the complexity of the forms involved). These estimates are very rough and are intended to indicate only the order of magnitude of the data collection and processing effort. The estimates do not consider restrictions on staffing or computer use.

The following specific forms were assumed to be required by BEH:

- APP
  - Detailed timetable
  - Projected number of personnel (FY1 and FY2)
  - Inservice training plan

- o EOYP
  - Percentage actually served
  - Actual number of personnel
  - Children served and service needs in priority areas
  - LRE
  - Inservice training report
- o Child Count.

Furthermore, it was assumed that both planning and performance data will originate at the LEA, contrary to the current practice of many SEAs, which is to "project" planning data in-house.

On an ongoing basis, data are expected to be obtained either from currently available data or by sending new data collection forms to the LEAs. In the former case, we have attempted to estimate the effort required to transform the data to the BEH format. In the latter case, we have estimated the costs of:

- o Sending forms to the LEAs and collecting them
- o Validating each form manually by comparing it to other data available at the SEA level
- o Tallying the figures on the local education agency/intermediate education unit (LEA/IEU) forms to obtain statewide information. (This can be done either manually or by using a computer.)

Cost estimates for the on-site monitoring of LEAs/IEUs were extracted from a MAC report, "PL 94-142 Administration: SEA Administrative Costs," submitted separately; this report includes only the portion of the monitoring procedure that deals with data collection.

In addition to ongoing costs, the state reports include an estimate of the expected costs of setting up the data collection and processing systems at the SEA level. These costs include:

- o Training the LEAs/IEUs in data collection
- o Modifying the manual system
- o Modifying the computer system.

It is important to understand that the cost estimates in this report are all incremental (i.e., the cost of changing the existing procedures so as to comply with the new law). In addition, these costs refer only to data collection and processing; they do not cover the writing of the APP or any other program-related activity. No less important, the estimates are limited to SEA costs; they do not cover activities of the LEAs or IEUs, which may constitute a much larger portion of the total cost of administering the law.

STATE COST ESTIMATES

STATE 7

I. OVERVIEW

A. Volumes

LEAs:	304 school corporations
IEUs:	55 cooperatives (joint service and supply organizations)
Children:	240,000 handicapped children

B. State Procedures

SEA currently collects planning data for children only. Actual numbers are collected for children and personnel, but they are somewhat different from BEH requirements. All child data (actuals) are computerized.

This estimate assumes that all data that originate in the LEAs will be tallied and summarized at the IEU level. As a result, the SEA is assumed to need to validate and tally only 55 sets of forms.

II. ONGOING OPERATIONAL RESOURCE REQUIREMENTS

A. Validation and Processing	Estimated Staff-Days
1. APP	
Will need to send and collect a new package of forms from all LEAs	3
a. Detailed timetable	
- new form - manual validation and tallying	7
b. Projected personnel FY1 and FY2	
- new form - manual validation and tallying	7
c. Inservice training plan	
- new form - manual validation and tallying	19

2. EOYP

Will be included with personnel form currently sent to LEAs

a. Percentage actually served

Computed by SEA based on child counts and national incidence rates 2

b. Actual number of personnel

- modified personnel form
- manual validation and tallying 5

c. Children served and needs

Since all children are believed to be fully served, information can be obtained from an existing computer system that accounts for children. (The system will have to be modified slightly to accept children's ages.) 3

d. LRE

- new form
- manual validation and tallying 27

e. Inservice training report

- new form
- manual validation and tallying 19

3. Child Count

o Done as a special census, twice yearly

o Send and collect (twice) 4

o Validate (twice, less complicated than most forms) 4

o Tally (manually, twice) 4

Subtotal 104

B. On-Site Monitoring Costs

From "PL 94-142 Administration: SEA Administrative Costs":
Total monitoring cost = $85,000
Amount spent on data monitoring (25%) = $ 21,000
(This percentage is relatively high because the special education unit is the sole responsibility.)

III. SET-UP COSTS

A. Training

One-day seminars conducted at the 55 cooperatives

o Trainers, including travel and preparation	75
o Travel expenses and per diem @ $50/seminar	$2,750
o Travel and expenses for LEA personnel @ $30/person	$9,250
Subtotal	75

B. System Redesign

1. Manual

o Design five new forms	10
o Modify personnel form	3
o Modify child-data collection form to include age	2

2. Computer

o Add age of handicapped children to existing computer records (240,000 handicapped children):	
- computer program @ $20,000/year	20
- collection and validation of data @ $10,000/year	50
- key-punching @ $.05/card	$12,000
- computer costs	$2,000
Subtotal	85

IV. SUMMARY OF INCREMENTAL COSTS

A. Ongoing Operational Costs

o Validation and processing = 104 staff-days @ $10,000/year	$ 4,200
o On-site monitoring for data collection	$ 21,000
Total	$ 25,200

B. Set-Up Costs

o Training:	
Personnel: 75 staff-days @ $20,000/year	$ 6,000
Travel and expenses	$ 12,000
o System Redesign:	
Personnel: 35 staff-days @ $20,000/year	$ 2,800
50 staff-days @ $10,000/year	$ 2,000
Associated computer costs	$ 14,000
Total	$ 36,800

STATE 8

I. OVERVIEW

A. Volumes

LEAs:	66 plus 1 for institutions
IEUs:	None
Children:	121,000 handicapped children

B. State Procedures

The state has decided to change its entire special education reporting system to match the forms required by BEH. Most forms have been developed. All information will be tallied manually at the LEA level.

II. ONGOING OPERATIONAL RESOURCE REQUIREMENTS

A. Validation and Processing	Estimated Staff-Days
1. APP	
A package to be sent and collected from all LEAs	3
a. Detailed timetable	
- validate	3
- tally	6
b. Projected personnel FY1 and FY2	
- validate	3
- tally	6
c. Inservice training plan	
- validate	3
- tally	20
2. EOYP	
A package sent to the LEAs	3
a. Percentage actually served	
- computed at SEA level	1
b. Actual number of personnel	
- validate	3
- tally	3

c. Children served and needs

- validate	3
- tally	6

d. LRE

- validate	3
- tally	30

e. Inservice training report

- validate	3
- tally	20

3. Child Count

o Sent out twice a year	6
o Validate (twice)	6
o Tally (twice)	4
Subtotal	135

B. On-Site Monitoring Costs

From "PL 94-142 Administration: SEA Administrative Costs":
Total monitoring cost = $60,500
Amount spent on data collection (20%) = $12,000

III. SET-UP COSTS

A. Training

Three sessions of two days each at the state level:

o Personnel, including preparation and attendance of other personnel	20
o Travel expenses for LEA personnel = $10,000	
Subtotal	20

B. System Redesign

1. Manual

o All forms from BEH, minor forms design effort	2
o Procedures and instructions for forms	15

2. Computer

None

Subtotal	17

IV. SUMMARY OF INCREMENTAL COSTS

A. Ongoing Operational Costs

o Validation and processing = 135 staff-days @ $10,000/year	$ 5,400
o On-site monitoring for data collection	$ 12,000
Total	$ 17,400

B. Set-Up Costs

o Training:	
Personnel: 20 staff-days @ $20,000/year	$ 1,600
Travel and expenses	$ 10,000
o System Redesign:	
17 staff-days @ $20,000/year	$ 1,400
Total	$ 13,000

STATE 9

I. OVERVIEW

A. Volumes

LEAs: 140 plus 4 other agencies
IEUs: None
Children: 22,500 handicapped children

B. State Procedures

The state collects virtually no information required by BEH. New form packages will have to be sent for the APP, the EOYP, and the two child counts. All will be manually validated, and some will be tallied by computer.

II. ONGOING OPERATIONAL RESOURCE REQUIREMENTS

A. Validation and Processing	Estimated Staff-Days
1. APP	
Send out new package of forms, collect, etc.	6
a. Detailed timetable	
- new form - manual validation - key-punching = $200 - computer processing = $300	6
b. Projected personnel FY1 and FY2	
- new form - manual validation - key-punching = $200 - computer tallying = $300	6
c. Inservice training plan	
- new form - manual validation - key-punching = $700 - computer processing= $500	6

2. EOYP

New forms package; send out and collect	6
a. Percentage actually served	
Computed on the basis of child count data and national incidence rates	2
b. Actual number of personnel	
- teacher form currently collected: no additional resources required	
- obtain appropriate computer report = $200	
- send out, collect, and tally information for private school teachers	5
- combine information from two sources	1
c. Children served and needs	
- new form	
- verify manually	6
- key-punching = $200	
- computer processing = $300	
d. LRE	
- new form	
- verify manually	6
- key-punching = $1,100	
- computer processing = $700	
e. Inservice training report	
- new form	
- verify manually	6
- key-punching = $700	
- computer processing = $500	

3. Child Count

o Send out and collect information twice	12
o Verify manually (twice)	12
o Key-punching (twice) = $200	
o Computer processing = $300	
Subtotal	80

B. On-site Monitoring Costs

From "PL 94-142 Administration: SEA Administrative Costs":
Total monitoring costs = $23,125
Amount for monitoring data collection (17%) = $4,000

III. SET-UP COSTS

A. Training

Five regional meetings, 2 days each:	
o Trainers: 10 days + 4 days preparation	14
o Expenses: @ 2 x $40 x 144 = $12,000	
o Travel: @ $50 x 144 = $7,000	
o Availability for periodic consultation	10
Subtotal	24

B. System Redesign

1. Manual

Design and approval of 7 new forms @ 2 staff-days	14

2. Computer

Design and implementation of programs for tallying:	
o Detailed timetable	20
o Personnel projections	20
o Inservice training (plan and actual)	30
o Children served/priority information	20
o LRE	40
o Child counts	20
Assorted computer costs = $10,000	
Subtotal	164

IV. SUMMARY OF INCREMENTAL COSTS

A. Ongoing Operational Costs

o Validation and processing:	
Additional SEA clerical efforts = 80 staff-days @ $10,000/year	$ 3,200
Key-punching and computer costs	$ 6,400
o On-site monitoring for data collection	$ 4,000
Total	$ 13,600

B. Set-Up Costs

o Training:	
Personnel: 24 staff-days @ $18,000/year	$ 1,700
Travel and expenses	$ 19,000
o System Redesign:	
Personnel: 164 staff-days @ $18,000/year	$ 11,800
Associated computer costs	$ 10,000
Total	$ 42,500

STATE 12

I. OVERVIEW

A. Volumes

LEAs:	556 plus 4 other agencies
IEUs:	58
Children:	161,000 handicapped children

B. Procedure

The state does not request most planning data submitted for federal purposes from its LEAs or IEUs. It does collect some actual performance data, but the information does not coincide with many of the BEH requirements. As a result, most information for BEH will be obtained by sending out and receiving new form packages corresponding to the APP, EOYP, and child counts. The SEA has to deal with only 58 IEUs, which greatly reduces clerical effort at the SEA level (but adding, obviously, to the IEU effort).

The state's handicapping categories are somewhat different from those of BEH. The dissimilarity is likely to result in an additional effort required to adjust the data.

II. ONGOING OPERATIONAL RESOURCE REQUIREMENTS

A. Validation and Processing	Estimated Staff-Days
1. APP	
Send out and collect a planning package in April	4
a. Detailed timetable	
- modified child count form, used for planning purposes, to adjust handicapping conditions - manual validation and tallying, including adjustments	8
b. Projected personnel FY1 and FY2	
- use new form, similar to the BEH form - manual validation, tallying, and adjustment	8
c. Inservice training plan	
- use a new form - BEH format - manual validation and tallying	21

2. EOYP

Will send a new package to fulfill performance reporting requirement 4

a. Percentage actually served

Will be calculated at the SEA on the basis of the February child counts and the national incidence rates 2

b. Actual number of personnel

Teacher information available in computerized form at SEA. Will use new computer program to get information by head count.

- adjust manually for handicapping conditions and service categories 1
- information about support staff will be collected from the IEUs
- manual validation and tallying 2
- computer costs = $300

c. Children served and needs

Assuming that the LEAs can provide the information (based on IEPs), it will be collected on a new form (BEH format)

- manual validation, tallying, and adjustment 7

d. LRE

- new form
- manual validation, tallying, and adjustment 31

e. Inservice training report

- new form
- manual validation and tallying 21

3. Child Count

o The October form will be sent out and collected along with state forms.

o The February form will have to be sent out and collected by the special education staff. 3

- The tallying of child count information is done by computer, but it will not be completed in time for sending the results to BEH. This will require an additional manual tallying. The state's child count form includes a column for each age. In addition, results have to be adjusted to BEH's handicapping categories. 26

Subtotal 138

B. On-Site Monitoring Costs

From "PL 94-142 Administration: SEA Administration Costs":
Total monitoring cost = $18,500
Amount for monitoring data collection (10%) = $1,850

This is a comparatively small percentage because of the broad responsibility of the to-be-developed separate organizational unit in the special education office and because of the education department's financial branch.

III. SET-UP COSTS

A. Training

Assumes two days of training in which all IEU administrators participate.

- Training personnel: 2 people + 2 days + 21 staff-days for preparation 8
- Per diem for IEU personnel @$30 x 60 IEUs/ agencies = $2,000
- Travel: @ $50/person x 60 = $3,000
- Answering telephone inquiries 10

Subtotal 18

B. System Redesign

1. Manual
   - Design of 7 new forms and approval by state administration 15

2. Computer
   - Reporting program to obtain personnel data by head count:
     - design/programming 10
     - computer costs = $1,000

Subtotal 25

IV. SUMMARY OF INCREMENTAL COSTS

A. Ongoing Operational Costs

o Validation and processing:	
Additional clerical effort = 138 staff-days @ $10,000/year	$ 5,550
Computer costs (report)	$ 300
o On-site monitoring costs for data collection	$ 1,850
Total	$ 7,700

B. Set-Up Costs

o Training:	
Personnel: 18 staff-days @ $18,000/year	$ 1,300
Travel and expenses	$ 5,000
o System Redesign:	
Personnel: 25 staff-days @ $18,000/year	$ 1,800
Associated computer costs	$ 1,000
Total	$ 9,100

STATE 22

I. OVERVIEW

A. Volumes

LEAs: 195 (108 have special education programs)
IEUs: None
Children: 9,721 handicapped children

B. State Procedures

Every LEA files a "Special Education Program Information" report, which includes detailed information by student, in October and updates it in February. The SEA will process the data in this report to provide the APP and the child count. Additional information will be obtained during the audits of all LEAs, which will take place between August and December. LEAs will supply planning information on forms similar to BEH forms.

II. ONGOING OPERATIONAL RESOURCE REQUIREMENTS

A. Validation and Processing	Estimated Staff-Days
1. APP	
Send and collect form package	4
a. Detailed timetable	
- validate	5
- tally	9
b. Projected personnel FY1 and FY2	
- validate	5
- tally	9
c. Inservice training plan	
- validate	5
- tally	32
2. EOYP	
a. Percentage actually served	
- computed at SEA from child counts plus incidence rates	1

b. Actual number of personnel

- obtained from office of accreditation computer system, as well as the LEA reports 3

c. Children served and needs

- from LEA's "Special Education Program Information," which will be modified to include priority information 20

d. LRE

- tallied from LEA report and from non-public school report 50

e. Inservice training report

- from LEAs - new form along with "Special Education Program Information"
- validate 5
- tally 32

3. Child Count

o Tally from "Special Education Program Information:
- originally in October 3
- from corrected version in February 3

Subtotal 186

B. On-Site Monitoring Costs

From "PL 94-142 Administration: SEA Administrative Costs":
Total monitoring cost = $21,600
Amount spent on data monitoring (10%) = $2,200

This is a comparatively low percentage because of the standard financial accounting system in all LEAs and because of the unit-based state funding formula that ensures data verification by state fiscal personnel.

III. SET-UP COSTS

A. Training

o Concentrate on planning information
o Bring all LEA people to SEA
o Personnel - includes preparation 4
o Travel expenses @ $40/LEA = $4,300

Subtotal 4

B. System Redesign

o Add new planning forms	6
o Modify "Special Education Program Information" report to include priorities	3
Subtotal	9

IV. SUMMARY OF INCREMENTAL COSTS

A. Ongoing Operational Costs

o Validation and processing: Additional SEA clerical effort: 186 staff-days @ $8,000	$ 6,000
o On-site monitoring for data collection	$ 2,200
Total	$ 8,200

B. Set-Up Costs

o Training:	
Personnel: 4 staff-days @ $17,000/year	$ 300
Travel and expenses	$ 4,300
o System Redesign:	
Personnel: 9 staff-days @ $17,000/year	$ 600
Total	$ 5,200

STATE 24

I. OVERVIEW

A. Volumes

LEAs:	1,120 (about 890 have special education)
IEUs:	20 regional service centers
Children:	340,500 handicapped children

B. State Procedures

The state does not collect any planning data; it does collect an annual fall data package — the Annual Special Education Statistical Report (ASESR), which covers some, but not all, of the data required for the EOYP report. To comply with PL 94-142, the state will have to design and collect an LEA application and modify its ASESR.

The state proposes to collect all data through its 20 regional service centers. This will reduce the data collection costs very significantly because the SEA need deal with only 20 data packages.* This procedure is described in the estimates below.

II. ONGOING OPERATIONAL RESOURCE REQUIREMENTS

A. Validation and Processing	Estimated Staff-Days
1. APP	
Send out and collect LEA applications through regional service centers.	5
a. Detailed timetable	
- part of the LEA application - manual validation and tallying	5
b. Projected personnel FY1 and FY2	
- part of the LEA application - manual validation and tallying	10
c. Inservice training plan	
- part of the LEA application - manual validation and tallying	10

*Of course, this change will require additional capabilities at the regional level, which is not dealt with in this report.

2. EOYP

o Most information will be obtained from a redesigned ASESR. No new collection costs are expected.

a. Percentage actually served

- will be based on reported child counts (ASESR) and the state's incidence rates; no new data required
- tallying and computation 2

b. Actual number of personnel

- current personnel information is not broken down by profession or instructional arrangement
- manual validation costs attributed to BEH requirements 2
- all other costs expected to remain unchanged

c. Children served and needs

- children served and found, and approved first-priority children are counted in the ASESR
- second-priority children will have to be added
- the information is expected to be collected along with the child count and tallied manually
- validation and tallying 4

d. LRE

- current information is not broken down by instructional arrangement
- ASESR forms will have to be changed to accommodate regulations
- additional manual validation attributable to BEH regulations 4
- tallying by modified computer program, at no additional ongoing cost

e. Inservice training report

- no data collected at present
- new form will be validated and tallied manually 8

3. Child Count

- o Will be sent and collected along with other documents
- o Manual validation and tallying — 3

Subtotal — 53

B. On-Site Monitoring

From "PL 94-142 Administration: SEA Administrative Costs":
Total monitoring cost = $50,980
Monitoring of data collection (10%) = $5,100

This is a comparatively low percentage because of the responsibilities for data verification already carried out by other units, primarily the education finance group.

III. SET-UP COSTS

A. Training

- o Training to administrative personnel will have to be conducted for filing the new LEA application and the modified ASESR. Training is assumed to take place at the regional service centers. Manpower costs: 3 days preparation + 20 sessions — 23
- o Travel expenses: SEA trainers: 20 x $100 = $2,000
  LEA administrators: 1,100 x $40 - $44,000

Subtotal — 23

B. System Redesign

1. Manual*
   - o Design an LEA application to include all data required for APP, assuming the state will use forms similar to those in the APP. — 12
   - o Modify ASESR forms to include personnel by profession. — 5
   - o Modify ASESR forms to include breakdown of instructional arrangement for LRE reporting. — 5
   - o Add child count package to count second-priority children. — 3
   - o Design a new inservice form. — 3

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*Because of the structure of the state's administration, extra time has been allotted for the form-approval process.

2. Computer

- o Rework personnel computer system to include profession/instructional arrangement.
  - expected to require adding data elements to input forms and master files, and changing somewhat the validation procedures and the reports produced — 20
  - associated computer costs = $2,000

- o Modify ASESR system to accommodate LRE reporting.
  - changes parallel those for professional/instruction arrangement described above, but the modification is somewhat more extensive:
    development (programmer/analyst) — 25
    associated computer costs = $2,500

Subtotal	73

IV. SUMMARY OF INCREMENTAL COSTS

A. Ongoing Operational Costs

o Validation and processing = 53 staff-days @ $10,000/year (additional clerical effort in the SEA)	$ 2,100
o On-site monitoring for data collection	$ 5,100
Total	$ 7,200

B. Set-Up Costs

o Training:	
Personnel: 23 staff-days @ $20,000/year	$ 1,800
Travel and expenses	$ 46,000
o System Redesign:	
Personnel: 73 staff-days @ $20,000/year	$ 5,800
Associated computer costs	$ 4,500
Total	$ 58,100

CONCLUSION

In this sample of six states, the incremental ongoing costs ranged from $7,200 to $25,200; the one-time costs of establishing the systems ranged from $5,200 to $58,100. Thus, despite the fact that the above estimates are very rough, it is evident that the incremental ongoing costs, as well as the set-up costs, will vary widely among states. As stated in the introduction, it is impossible to draw national conclusions from the sample presented here. Further, these estimates do not include IEU and LEA costs, which may be very high, because many currently do not have systems to provide these data.

The above estimates are based entirely on current proposed data requirements. Any reduction or increase in data requirements can markedly reduce or increase the costs associated with data collection.

One factor not included in the above analysis is the unavoidable initial difficulty that will be encountered when states begin to implement new forms and procedures. The first one or two years of operating the new system are bound to require more effort and result in surpluses. Accordingly, it may be advisable for BEH to rank its data requirements by priority and/or phase these requirements in. A hierarchy will enable the states to concentrate on installing sound data collection systems and will reduce the likelihood of receiving inaccurate data.

APPENDICES

APPENDIX A

SUMMARY OF STATE CHARACTERISTICS

1. Demographic Variation

Twenty-five states, one territory, and one federal agency were selected to participate in this study out of 45 states and outlying areas that volunteered. States with a variety of demographic, geographic, and administrative characteristics were selected. This section summarizes the variations among states.

As indicated on Table 14, demographic characteristics vary greatly among the selected states. One state makes no distinction between state and local levels of education. Although the state has school districts, there is only one board of education and that is the state board. Another state, however, has over 1,000 school districts and two separate administrative structures in operation within the state. The remainder of the states fall somewhere in between, with a little over half of the states having fewer than 200 districts and a little under half having between 200 and 700.

Low, medium, and highly populated states have also been visited. One-third of the states have fewer than 100 people per square mile, one-fourth have over 500 people per square mile, and the remainder fall somewhere in between. Most states serve fewer than 200,000 handicapped children. More than half serve fewer than 100,000. Most states are currently serving 7% to 10% of the total school-age population in special education programs, although the federal agency reports that almost one-third of the total school population requires special education services.

With regard to special education staff members, a few states report only two to four staff members with responsibility for administering both state- and federally-funded programs in special education. Because of their small staffs, these states have experienced great difficulty in meeting reporting requirements and monitoring the effectiveness of LEA programs. Yet most states visited employ 20-30 professional staff members. A few states list over 100 special education staff members. The individual state characteristics are displayed in Table 14.

2. Authority over the Other State Agencies and Private Schools

The state education agency is given the responsibility to carry out the mandates of PL 94-142, including the assurance that all handicapped children receive an appropriate education that meets state standards. This requires the SEA to monitor programs for handicapped children regardless of whether they are placed in public or private schools, or are served by the SEA or other state agencies. In addition, the SEA must collect data from all agencies and private schools serving the handicapped. Collecting data from a multitude of sources is difficult enough, but collecting data if the SEA does not have any type of authority over the other sources proves even more problematic.

TABLE 14

STATE CHARACTERISTICS

State	Number of SEA Special Education Staff Members				Number of LEAs	Population Per Square Mile[a]	Special Education Population Served				Prevalence Rate[b]			
	<10	10-19	20-29	30+			<50,000	50,000-99,999	100,000-199,999	200,000+	0-6%	7-9%	10-12%	13%+
1			X		250	19.6		X					X	
2	X				Not Applicable	Not Applicable	X							X
3				X	1,050	135.5				X		X		
4			X		67	154.6			X			X		
5	X				0	134.6	X				X			
6		X			115	9.9	X					X		
7			X		304	147.1				X				X
8			X		68	84.4		X			X			
9		X			140	34.2	X					X		
10				X	24	414.3		X					X	
11				X[c]	435	744.7			X				X	
12			X		556	161.2			X					X
13	X				17	5.4	X					X		
14			X		609	972.7			X				X	
15				X	740	378.8				X	X			
16				X	145	111.7			X					X
17			X		616	262.6			X			X		
18		X			623	39.4		X				X		
19			X		83	792.8	X				X			
20	X				40	883.7	X						X	
21		X			92	93.2		X						X
22		X			195	9.0	X				X			
23				X[c]	147	101.3			X[b]				X	
24			X		1,120	46.7				X			X	
25			X		135	124.9		X						X
26		X			436	84.6		X				X		
27	X				51	3.8	X					X		

TABLE 14 (Continued)

Footnotes

[a]Source: 1976 Statistical Abstract of the United States, U. S. Department of Commerce, Bureau of the Census.

[b]Prevalence rate is the ratio of the number of handicapped children served to the number of children served.

[c]Central and regional offices.

Of the states visited, almost all share the responsibility for educating handicapped children with other agencies, such as Public Health and Mental Health. Most SEAs, in fact, share this responsibility with at least two or three other agencies. Only one-third of the states have any legal authority over other agencies serving the handicapped, and fewer than one-half of the states have authority over private schools. The authority, if any, that many states have over private schools is only to approve the operation of the schools. It should be noted that a few states are not allowed to use any public funds for the placement of children in private schools.

3. Funding Mechanism

States employ diverse funding mechanisms to pay the costs of educating handicapped children. Funding mechanisms include unit financing; reimbursement for program, personnel, or part or all of the costs of educating handicapped children; weighted formula; and excess cost. In addition, two states provide direct funding for all education.

The type of funding mechanism used by a state often influences the state's ability to provide certain categories of data, particularly fiscal information. States that fund the excess costs of special education costs can more often meet the minimum excess cost requirements of PL 94-142. Systems using a unit financing system often have difficulty isolating special education costs since part of the amount allocated to a classroom unit may be expended on such items as general administrative salaries. A straight sum reimbursement for special education does not necessarily require LEAs to separate special education and regular education costs. Systems that reimburse for personnel or programs may not be able to isolate other special education expenditures, such as equipment and transportation. States reimbursing LEAs a percentage of all costs spent for special education require them to separate special from regular education costs.

4. Major Patterns of Variation

One of the most noticeable patterns is the correlation between data capability and funding mechanisms. If state funding is based on children, the state tends to collect and monitor child data and has greater data capability in that area than other areas. Similarly, if funding is based on personnel or excess costs, the state tends to have good data capability in those areas.

As might be expected, sparsely populated states with a small number of LEAs tend to have a small SEA special education staff as well as a relatively small special education population. These states tend to have less difficulty adjusting to data requirements for PL 94-142, although in a few cases staffing constraints do present a problem.

States with a high population density tend to have a relatively high number of SEA staff members. However, strong correlation with other factors was not found.

APPENDIX B

SUMMARY OF DATA ELEMENTS PROPOSED IN DRAFT BEH FORMS[1]

CHILDREN

Handicapping Conditions:

- Mentally retarded
- Hard of hearing
- Deaf
- Speech impaired
- Visually handicapped
- Seriously emotionally disturbed
- Orthopedically impaired
- Health impaired
- Specific learning disability

Age Categories:

- 3-5
- 6-17
- 18-21

Children Served[2]

Children Receiving FAPE[2]

Projections of Children Needing Service[2]

Priorities:

- Not receiving an education (unserved)
- Severely handicapped and receiving special education services but requiring additional special education services (underserved)

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[1]Since this study was conducted before decisions on final data requirements, MAC used preliminary data elements included in draft forms for guidelines in assessing state data capabilities.

[2]Information requested by handicapping condition and age.

Least Restrictive Environment:

Regular class with indirect services within regular class
Regular class with direct services and instruction within regular class
Regular class with resource room services
Self-contained classroom with part-time instruction in a regular class
Self-contained special class full-time on a regular school campus
Self-contained special class in a special public day school facility
Self-contained special class in a special private day school facility
Public residential school facility
Private residential school facility
Hospital program
Homebound program

PERSONNEL

Currently Employed Personnel:

Teachers[3]
- Special class
- Resource room
- Itinerant/consulting

Psychologists
School social workers
Occupational therapists
Home-hospital teachers
Speech pathologists
Audiologists
Teacher aides
Vocational education teachers
Work-study coordinators
Physical education teachers
Recreation therapists
Diagnostic staff
Supervision
Other noninstructional staff

Projections of Needed Personnel: [3]

Same as above personnel categories

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[3]Information requested by handicapping condition.

INSERVICE TRAINING

Area of Training:

Diagnostic procedures
Instructional procedures
Implementation of PL 94-142
- Individualized education programs
- Least restrictive environment
- Procedural safeguards
- Use of surrogates
- Priorities—served-unserved
- Nondiscriminatory testing

Other (specify)

Types of Persons to Receive Inservice Training:

Regular class teachers
Special class teachers
Resource room teachers
Itinerant/consulting teachers
Home-hospital teachers
Physical educators
Vocational educators
Teacher aides
Work-study coordinators
Recreational therapists
Occupational therapists
Speech pathologists
Audiologists
Psychometrists/educational diagnosticians
Psychologists
School social workers
Parents of handicapped children
Surrogates
Volunteers
Hearing officers
Supervisors
Administrators
Other noninstructional staff

FACILITIES

Self-Contained Classes on a Regular School Campus

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APPENDIX C

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APPENDIX D

INFORMATION GATHERING AND VALIDATION PROCEDURES

Before conducting the 27 in-depth state visits, MAC and NASDSE developed an analytic plan and detailed interview guides for the visits. To ensure consistency among the interviewers, an intensive training workshop was held before the visits, and a second workshop was held after the first state visits and draft reports were completed.

Before visiting a state, each interviewer reviewed available information to become as familiar as possible with the state's special education system. In addition, state officials were informed about the purpose of our visits and the types of information we would be discussing so that they too could prepare for our visits. During the visits, our consultants interviewed key SEA personnel who were involved in overseeing, collecting, or developing information on special education in the state. Similar questions were asked of the people interviewed to obtain different perspectives on the issues as well as to double-check information. Documentation such as state laws, regulations, manuals, and data collection forms were also reviewed and any inconsistencies or questions related to these documents were discussed with the appropriate state staff members. Based on this information, a draft state report was prepared in which the data capability of the state was analyzed in relation to the proposed BEH data requirements. The states reviewed these reports for accuracy, and a final draft was prepared incorporating their comments.

A draft summary report was prepared based on the information in the 27 state reports. The section of this report in which state data capability was assessed was distributed to all volunteer states. Those states where in-depth visits had been conducted were asked to review the report to ensure that the information pertaining to their state was accurate as well as to comment on overall findings and recommendations. Further, those volunteer states which had not been visited previously were asked for comments, and several were visited briefly to determine if the findings reflected the situation in that state. Based on the comments received from the states and the mini-visits, the final report was prepared.

Thus, we have taken several steps to validate our information. We believe that the report accurately reflects the situations in the states. We have received comments from the states indicating that they also feel the report conveys the realistic situation on data capabilities under PL 94-142.

APPENDIX E

ANALYSIS OF STATE MINI-VISITS

After our draft summary report was prepared, we conducted mini-visits to determine whether the report reflected the situation in volunteer states which had not been visited previously and to obtain comments on the report. We visited eight states for approximately one day each. The results of these visits, in terms of the states' data capabilities, the major problems they perceive, and their comments on the reports, are discussed below after a brief description of the states' characteristics.

State Characteristics

State characteristics varied considerably among this group as they did among the 27 states visited previously. In the mini-visit states, the number of LEAs ranged from 26 to 1,084; only the largest state reported having formal intermediate education units. The number of handicapped children varied from 8,000 to 227,000. All of the states had mandatory special education laws, although four of the states were faced with technical problems resulting from differences between state and federal law.

Summary of Information Capabilities

The information capabilities of the eight states are, in general, very similar to those of the 27 states visited for in-depth study. The major difference is that the states are more informed about the requirements, and a little farther along in their development of procedures implementing PL 94-142 requirements, and, as a result, placed a slightly different emphasis on some of the major problems and concerns. This phenomenon is probably the result of these visits being made five to six months later than the initial 27.

The states' data capabilities in each of the four major categories are discussed below.

1. Children

   a. Handicapping Condition and Age

      Information on children is the strongest of the four major categories. There are minor variations in handicapping conditions, but, for most child data, federal handicapping conditions and age categories do not present problems to the states. The two major problems reported in this area are obtaining LRE information by age and having to adjust already developed data collection instruments to incorporate the two handicapping conditions added in the final regulations.

b. Free Appropriate Public Education

These states were somewhat more familiar with the FAPE requirements than states previously visited and were developing monitoring systems to ensure various aspects of FAPE. This differed somewhat from our findings in the 27 states, probably because they had more experience with PL 94-142 requirements. However, neither these states nor the states previously visited had procedures for distinguishing between FAPE and children served for child count purposes, and some problems with FAPE are anticipated.

c. Least Restrictive Environment

This requirement was particularly troublesome to several states. Some questioned the need for obtaining the information by age, and several questioned the need for collecting LRE data at all. States expressed concern both about their ability to provide the information ("How do you know how many will need placement in which environment until they have been evaluated?") as well as the interpretation of the data. These concerns are similar to those discussed in Part I of this report. Developing alternative mechanisms for meeting this requirement, such as thorough monitoring rather than detailed data collection, was suggested.

d. Priorities

States reported significant problems with this requirement. Obtaining data on the unserved other than through child find reports is a problem, and clarification of this data need would be helpful. Several states also do not currently have methods to report the underserved, and many would question the accuracy of such information even if it were reported. A potential conflict exists between reporting children receiving FAPE for entitlement purposes and reporting the underserved, which will need to be resolved to get accurate data on the underserved. One state indicated that it would deal with this problem by substituting its own priorities for those of PL 94-142.

Some states also anticipate problems with the requirements that funds be allocated first to the unserved. States where a relatively high percentage of children are identified and served report that child find efforts are expensive and yield few children. They believe that, under these circumstances, resources would be more appropriately and cost-effectively spent on providing additional services to already identified handicapped children.

e. Projections

These states reported problems in making projections similar to those reported by the other states.

f. Federal Child Count

All eight states took a separate count for PL 94-142 in FY77. However, two of the states are developing child-based information systems which they plan to use for both federal and state information needs in the future.

g. Monitoring and Validation

Similar to our previous findings, these states had done little data monitoring in the past. Several of the states reported that they were developing monitoring systems. However, most of these systems appear to be oriented toward program review rather than data validation. Since these systems are not yet fully developed and procedures are generally not available, it is difficult to assess the extent to which these monitoring systems will encompass data validation.

2. Personnel and Inservice Training

a. Personnel

These states can provide most of the information on teachers, although a few do not separate special class, resource room, and itinerant teachers. Several states, however, can not provide information in most of the BEH categories of other personnel. Some of the states plan to collect the information through the LEA application. Two of the states already have personnel data in most categories.

Two of the states indicated that they have good monitoring systems, which they have used in the past. The other states have not monitored data in the past. Some monitoring procedures are being developed, as discussed previously.

b. Inservice Training

Most of the states do not currently collect comprehensive inservice training information, although several can provide data on SEA-sponsored training. One state has computerized inservice training data; others, which do not have the data, either will collect the information in the LEA application or will aggregate existing data on state-sponsored workshops.

3. Facilities

None of the states currently collect information on facilities, although some states could provide information in certain categories. The states agreed with the MAC/NASDSE recommendation to eliminate the requirement for facilities data.

4. Fiscal Information

These states were somewhat more familiar with fiscal requirements, particularly excess costs, than states previously visited. This probably is a function of increased exposure to the requirements and the clarification in the final regulations. Four of the states could provide information on special education program costs; four will have some problems. Several of the states reported that they currently cannot separate elementary and secondary costs. Because of the brevity of the visits, it was not possible to review this requirement in detail. It was not reviewed in previous visits because it was not included in preliminary requirements, but we suspect it will be a problem for many states. It is clear that there is still confusion over this requirement. This is particularly troublesome since in most states this information is collected by a division other than special education and changes often are more difficult.

Major Problems and Concerns

These states reported problems similar to those identified by states previously visited, although some of the problems previously identified were not considered problems by many of these states. More significantly, however, these states placed different emphasisis on some of the problems. This difference can be attributed to the fact that these states have had a longer time (6-8 months) to become familiar with the requirements and have begun to implement various requirements of the law. Thus, with experience, some problems have become more acute and others less troublesome.

The most significant problems these states emphasized were the uncertainty about requirements and the frequent changes in requirements. The states indicated that many issues such as handicapping conditions, age, and timing are not problems in themselves but become problems because the categories and requirements are frequently changed. These changes are costly, create great difficulties for the LEAs, and have a negative impact on the quality and accuracy of data.

Other problems mentioned were reaching full service in the time allowed, the requirements for elementary and secondary excess costs, and the lack of flexibility in requirements for states with different characteristics (particularly small and rural states) and at different levels of service (particularly states which have established effective state systems whose procedures such as due process may differ slightly from federal procedures).

The other major problems mentioned related to those identified in our draft report and are discussed in the next section.

Comments on the Draft Summary Report

The mini-visit states, with one exception where the state had not reviewed the report, generally agreed with the findings in the draft summary report. However, as with other states, some problems were more acute in some states than others, and all of the problems in the draft summary report were not considered to be problems by all of the states. In addition, these states as a whole emphasized different problems, particularly the changing requirements discussed above.

The state concerns identified in the draft report which most of the states agreed with were:

- Administrative burden and general inflexibility/unsuitability of the requirements
- Shortage of qualified personnel to implement and enforce the law
- Inability to meet federal deadlines and related problems with scheduling
- Priorities (All states except one, which plans to substitute its own priorities, thought this was a major problem. Thus, this was considered more significant by the mini-visit states than by states visited previously.)
- Accuracy and validity of data
- Lack of data on facilities
- Uncertainty about requirements (This is the only problem which was a concern to all eight states.).

About half of the states considered the following to be problems:

- Shortage of money to implement the law (Some states believed this would be a problem at the LEA level; other states did not feel that money was a problem.)
- Problems with other state agencies
- Excess cost stipulations.

Most of the states visited did not consider the following to be problems:

- IEPs (Most states saw this as a desirable provision of the law and did not report difficulties in meeting this requirement.)
- Discrepancies in child and age categories
- Consortia.

With regard to the four problems we identified which states did not emphasize in our previous visits, three of them were considered a problem by several of the mini-visit states:

- Demonstration and interpretation of FAPE
- Inaccuracy of incidence rates
- Integration of data systems.

Only two states believe that the role change of the SEA was a major problem.

Several states also identified problems relating to their specific situations. They are not discussed here, but they do point out the need for BEH to work with individual states in solving some problems.

The states generally agreed with our recommendations. Specific comments were as follows:

- While monitoring and validation should be stressed, it needs to be done with a positive thrust and with more guidance from BEH in terms of models. Also, states believe that emphasis on monitoring needs to be tied directly to streamlining requirements.
- States strongly support the recommendation to streamline and phase in requirements. If a master plan for data collection and a schedule were established ahead of time, it would minimize the cost of changing systems.
- States believe that technical assistance, particularly in terms of disseminating models, promoting communication about what other states are doing, and solving problems specific to state needs would be helpful.
- Several states believed that BEH should take a leadership role and should "stick to its guns" rather than continually change requirements. However, there was sentiment that BEH also needs to set on example through its own operations.

In summary, while there were variations among the states in both the initial visits and the mini-visits, the findings in the mini-visits were generally consistent with the findings in the draft summary report. The major difference was the emphasis given to problems created by changing requirements and priorities.

APPENDIX F

EXEMPLARY PRACTICES

Exemplary educational practices have been identified in all 27 states visited. Those reported here, however, relate only to information systems and monitoring of special education programs.

Management Information Systems

Both Florida and Maryland have developed computerized management information systems which are intended to provide a central source of all education information collected in the State. New York and Connecticut have developed similar systems for certain types of data. (The systems in Florida and Maryland are also intended to reduce duplication of effort and data reporting burdens of LEAs.) Both Connecticut's and Maryland's information systems have been envisaged as more than a child service count data source for State and federal reporting. They are designed to serve as recording tools for the decisions about an individual child's educational program.

Monitoring

Of the 27 states visited for in-depth study, Florida, Massachusetts, Idaho, and Indiana have all begun to implement systems to monitor the programmatic aspects of PL 94-142 and their respective state legislation.

Florida is currently implementing its program audit procedures. The program audit results are given both to the district and the SEA internal auditor. If audit exceptions are found, State funding will be reduced.

Massachusetts' compliance management system is comprised of a four-tiered process: a proper review of LEA plans, response to individual complaints, an analysis of trends and issues within the LEA, and the program audit. Program audits are performed in each LEA every five years. However, LEAs having difficulty in complying with State or federal mandates are monitored more often. The program audit uses both self-evaluation by the school system and an on-site visit by auditors to evaluate how the law has been implemented. During the on-site visit, auditors visit school facilities, interview school personnel, and write a report. Recommendations are made and problems in carrying out recommendations are also pointed out. The preliminary report is submitted to the school system and is reviewed for errors. A corrected final report is then prepared. Division of Special Education staff continue to work with the school system in addressing issues contained in the final report.

Idaho's special education program review gathers and evaluates qualitative and quantitative data on special education services in the districts. The emphasis of the review is not to audit or evaluate district activities in their minutest detail but to assess the procedures used in districts and comply with the law.

Indiana's site review process reviews programs and services and the extent to which they have been implemented. The components of the review include a record search, a review of anonymous questionnaires, and interviews of selected personnel. In many visits, the team also meets with consumer groups and parents. A verbal exit report provides immediate feedback and includes strengths and weaknesses observed in the district. A written report is completed within one week after the site visit and is verified for accuracy by the local director of special education. A final report is then prepared. Final program approval is based on completed program review documents, approved State forms, and the site examination final report.

Three of the states in our mini-visits (Washington, Mississippi, and Delaware) also have established monitoring systems. These systems are not described in detail since they were reviewed only briefly during our mini-visits, however, the system in Washington, in particular, appeared to be very comprehensive.